

BOARD'S REPORT

Dear Members,

Your Directors take pleasure in presenting the 21st Annual Report on the business and operations of your Company along with the Audited Financial Statements for the year ended March 31, 2021.

FINANCIAL PERFORMANCE

The key highlights of the Standalone and Consolidated Audited Financial Statements of your Company for the financial year ended March 31, 2021 and comparison with the previous financial year ended March 31, 2020 are summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from Operations	81,610.83	66,530.71	99,798.70	85,640.54
Other income	4,864.76	2,931.79	1,204.52	856.66
Total Revenue	86,475.59	69,462.50	101,003.22	86,497.20
Less: Total expenses	61,870.80	53,010.76	76,570.92	67,119.25
Profit before exceptional items and tax	24,604.79	16,451.74	24,432.30	19,377.95
Exceptional items	-	2,452.66	-	2,452.66
Profit before share of profit for equity accounted investees and tax	24,604.79	13,999.08	24,432.30	16,925.29
Share of loss for equity accounted investees (net of tax)	-	-	-	(51.98)
Profit Before Tax	24,604.79	13,999.08	24,432.30	16,873.31
Less: Tax Expenses	4,849.28	2,793.65	6,097.43	4,118.09
Profit after Tax	19,755.51	11,205.43	18,334.87	12,755.22
Basic Earning per share of face value of ₹ 2/- each	38.81	22.32	35.97	25.36
Diluted Earning per share of face value of ₹ 2/- each	38.61	22.22	35.79	25.25

OPERATIONAL PERFORMANCE & FUTURE OUTLOOK

During the year under review, the Standalone income of the Company increased to ₹ 86,475.59 Lakhs compared to ₹ 69,462.50 Lakhs in the previous year, registering growth of 24.49%. The Standalone profit after tax for the year increased to ₹ 19,755.51 Lakhs as compared to ₹ 11,205.43 Lakhs in the previous year registering growth of 76.30%.

During the year under review, the Consolidated income of the Group increased to ₹ 101,003.22 Lakhs compared to ₹ 86,497.20 Lakhs in the previous year, registering growth of 16.77%. The Consolidated profit after tax for the group increased to ₹ 18,334.87 Lakhs as compared to ₹ 12,755.22 Lakhs in the previous year registering growth of 43.74%.

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.

COVID-19

During the Financial Year 2020-2021, the COVID-19 pandemic developed rapidly into a global crisis, forcing Governments to enforce lock-downs of all economic activities. The COVID-19 pandemic impacted India in its peak during the month of April to September after which the conditions started to improve as there was decline in the cases of COVID-19. Though again the second wave was in force in the mid of March 2021.

The Company had arranged work from home for its employees during the pandemic to ensure the health and well-being of the employees. While most of the economic activities were at halt during the lockdown period, the healthcare sector continued operations under the Essential Services Maintenance Act, 1968.

The Company being in the industry of healthcare services was declared as one of the essential services during the

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pandemic. Your Company operated by continuing the services of pathology labs for its customers across channels. The Government authorised the Metropolis Labs as one of the authorised pathology labs for carrying out the COVID-19 tests during the pandemic. With the best TAT, continuous medical engagement with doctors and government authorities, strong branding and customer equity that we enjoy, we were successful in churning out COVID-19 tests. Initially the testing lab was set up at our Global Reference Lab in Mumbai however as volumes increased we set up Covid-19 facility at Thane and subsequently at Chennai, Bengaluru, Pune and Delhi.

The Company ensured the safety of employees, who were required to step out for home collection of samples and they have been mandated to take all safety precautions. We have curtailed the number of employees working at all the Offices and currently majority of employees continue to work from home.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated financial statements of your Company for the Financial Year 2020-2021 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, 2021 declared an interim dividend of ₹ 8 per equity share (face value of ₹ 2/- each) on 5,11,16,813 fully-paid up equity shares aggregating to total outflow of ₹ 40,89,34,504/-.

The Interim Dividend was paid to those shareholders whose names appeared in the Register of Members as on the record date i.e., February 19, 2021.

In order to conserve the resources for business requirement, your Board of Directors do not recommend final dividend for FY 2020-2021.

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

<https://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 2020-2021.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.

ACQUISITIONS

During the year under review, the Board of Directors of your Company have approved the following:

1. Acquisition of balance stake in two of its existing Subsidiary Companies i.e. in Metropolis HistoXpert Digital Services Private Limited ('HistoXpert') and Raj Metropolis Healthcare Private Limited ('Raj Metropolis').

The Company has acquired the balance stake of 49% in Raj Metropolis and with effect from November 5, 2020, Raj Metropolis became a wholly-owned subsidiary of the Company.

The Company had approved to acquire the balance stake of 35% in HistoXpert in August 2020. However, due to the impact of COVID-19 pandemic and resultant lockdown in Netherlands, the head quarter of Koninklijke Philips N. V. ('Philips'), the JV partner of Metropolis HistoXpert Digital Services Private Limited ('HistoXpert'), the Company could not complete the said acquisition till March 31, 2021 and is currently in the process of acquiring the balance stake.

2. Acquisition of 100% stake in Dr. Ganesan's Hitech Diagnostics Centre Private Limited ('Hitech')

The Board of Directors of your Company at their meeting held on January 17, 2021 approved the acquisition of 100% stake in Hitech for a consideration to be discharged partly by way of Cash Consideration and partly by way of issuance of up to 495,000 equity shares of the Company on a Preferential basis to the existing shareholders of Hitech.

Further, the shareholders of the Company accorded their consent to the above by passing a Special Resolution through Postal Ballot on February 18, 2021.

The Company had also obtained the In-principle approval from the Stock Exchanges but due to the bad health of the sellers and the resultant lockdown in Chennai (the residence of the shareholders of Hitech) the Company could not complete the aforementioned acquisition as on the date of approval of this report.

However, the Company is in continuous talks with the Hitech shareholders to ensure closure of the the above acquisition.

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CHANGE IN NATURE OF BUSINESS

There was no change in the nature of the business or any activity of business of the Company during the year under review.

CHANGES IN CAPITAL STRUCTURE

During the year under review, the paid up equity share capital of the Company has increased to Rs. 10,22,33,626/- (Rupees Ten Crores Twenty Two Lakhs Thirty Three Thousand Six Hundred and Twenty Six Only) consisting of 5,11,16,813 equity shares of Rs. 2 each as on March 31, 2021. 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), to the eligible employees of the Company / Subsidiaries.

The details of allotment made under MESOS during the year under review is as follows:

Date of Allotment	No. of Equity Shares allotted under MESOS 2015
May 13, 2020	51,096
August 11, 2020	2,47,264
November 11, 2020	1,77,887
February 10, 2021	10,000

During the year under review, the Company has not issued any shares with differential voting rights, has not bought back any shares, it has neither issued sweat equity shares and does not have any scheme to fund its employees to purchase the equity shares of the Company.

DEPOSITS

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.

During the year, the Company has not taken any loan from the promoter directors.

MATERIAL SUBSIDIARY

The Company has formulated a Policy for determining Material Subsidiaries. The Company does not have any Material Subsidiary as per the parameters laid down under the Policy. The Policy is available on the website of the Company and can be accessed through the following weblink:

<https://metropolisindia.com/newdata/Investors/code-of-conduct/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 plans and thus contributed robustly to the overall growth of the Company in terms of revenue and profits of the Company and overall performance of the Group.

As on March 31, 2021, the Company had 11 domestic subsidiaries and 7 overseas subsidiaries (including five step-down overseas subsidiaries), 1 Foreign branch (which is considered as 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 the Company's Subsidiaries, Joint Ventures, Associate Companies in the specified format i.e. Form AOC - 1 is annexed as "Annexure 1" to this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2021, the Board of Directors of your Company comprises of 6 (Six) Directors, of which 4 (Four) are Non-Executive Directors & 2 (Two) are Executive Directors. The constitution of the Board of the 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.

During the year, the Board of Directors of the Company considering the vast knowledge, integrity and varied experience and proficiency, on May 14, 2020 appointed Ms. Anita Ramachandran (DIN: 00118188) as an Additional Non-Executive Independent Director of the Company for a period of five years w.e.f. May 14, 2020. The said appointment was also approved by the Shareholders of the Company at the Annual General Meeting of the Company held on September 16, 2020.

During the year, the Board of Directors at their meeting held on May 29, 2020 re-appointed Dr. Sushil Kanubhai Shah (DIN: 00179918) as a Whole-time Director (designated as Chairman and Executive Director) of the Company for a period of five years w.e.f. September 4, 2020. The said re-appointment was also approved by the Shareholders of the Company at the Annual General Meeting of the Company held on September 16, 2020.

Further, the Board of Directors at their meeting held on February 10, 2021 re-appointed Ms. Ameera Sushil Shah (DIN: 00208095) as a Managing Director of the Company for a period of five years with effect from March 18, 2021 subject to the approval of the members of the Company at the ensuing Annual General Meeting. Accordingly, the matter for re-

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appointment of Ms. Ameera Shah as a Managing Director for a period of five years has been placed before the shareholders for their approval and forms a part of the Notice of the Annual General Meeting.

Further, pursuant to the recommendation of the Nomination and Remuneration, the Board of Directors at their meeting held on May 27, 2021 have approved the appointment of Mr. Hemant Sachdev (DIN:01635195) as an Additional Non-Executive Non-Independent Director of the Company liable to retire by rotation, subject to the approval of the members at the ensuing Annual General Meeting of the Company. Accordingly, the matter for appointment of Mr. Hemant Sachdev as a Non-Executive Non-Independent Director of the Company has been placed before the shareholders for their approval and forms a part of the Notice of the Annual General Meeting.

On the basis of the written representations received from the directors, none of the above 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 of a Director.

KEY MANAGERIAL PERSONNEL

During the year under review, there was no change in the Key Managerial Personnel of the Company.

As per the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company as on March 31, 2021 were as under:

1. Ms. Ameera Sushil Shah, Managing Director;
2. Mr. Sushil Kanubhai Shah, Whole-time Director;
3. Mr. Rakesh Kumar Agarwal, Chief Financial Officer;
4. Mr. Vijender Singh, Chief Executive Officer; and
5. Ms. Poonam Tanwani, Company Secretary and Compliance Officer.

DIRECTORS RETIRING BY ROTATION

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the relevant rules made there under, 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.

Dr. Sushil Kanubhai Shah, Chairman and Executive Director of the Company is liable to retire by rotation and he being eligible, has offered himself for re-appointment at the ensuing Annual General Meeting of the Company. The Board of Directors recommend his re-appointment and the matter is being placed for seeking approval of members at the ensuing 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, brief details of Dr. Sushil Kanubhai Shah, are provided as an Annexure to the Notice convening the 21st 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.

The Company has received declarations from the Independent Directors confirming that they meet with the criteria of Independence as prescribed under section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 relationship 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 Familiarisation Programme for the Independent Directors, with a view to familiarise them with their role, rights and responsibilities in the Company, nature of Industry in which the Company operates, business model of the Company, etc.

Through the Familiarisation Programme, the Company apprises the Independent Directors about the business model, corporate strategy, business plans and operations of the Company. The directors are also informed about the financial performance, annual budgets, internal control system, statutory compliances etc. They are also familiarised with Company's vision, core values, ethics and corporate governance practices.

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

https://metropolisindia.com/newdata/Investors/code-of-conduct/MHL_Familiarization-Programme-for-Independent-Directors.pdf

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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 2020-2021.

The performance of the Board as a Whole and of its Committees was evaluated by the Board through structured questionnaire which covered various aspects such as the composition and quality, 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 to the questionnaire, performance of the Board and its Committees was evaluated. The Directors expressed their satisfaction with the evaluation process.

In terms of requirements of Schedule IV Act, a separate meeting of Independent Directors of the Company was held on March 30, 2021 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.

NOMINATION AND REMUNERATION POLICY

The brief on the policy on remuneration and other matters provided in Section 178(3) of the Act has 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://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 preparation of the Annual accounts for the year ended March 31, 2021; the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) They have selected such accounting policies as mentioned in the notes to the Financial Statements and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give true and fair view of the Statement of Affairs of the Company as at March 31, 2021 and of the Profit of the Company for the year ended on that date
- (c) They have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) They have prepared the Annual accounts on a going concern basis;
- (e) They have laid down internal finance controls to be followed by the Company and such internal finance controls are adequate and operating effectively;
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

BUSINESS RESPONSIBILITY REPORT

Business Responsibility 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.

Business Responsibility Report for the Financial year ended 2020-2021 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 (Listing Obligations Disclosures Requirements), Regulations, 2015 is presented in a separate section and forms part of the Annual Report of the Company.

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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 as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as a part of the best corporate governance practices, the terms of reference and the constitution of those Committees is in compliance with the applicable laws.

In order to ensure focused attention on business and for 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" of the Company 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 met 6 (Six) 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.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

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://metropolisindia.com/newdata/Investors/Annual%20Reports/MGT-7_MHL_2020-21.pdf

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. 49(a) to the Financial Statements.

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

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

RELATED PARTY TRANSACTIONS

The Board has formulated and adopted a Related Party Transactions Policy ("RPT Policy") for the purpose of identification, monitoring and reporting of related party transactions. The RPT Policy as approved by the Board is available on the Company's website and can be accessed through the following weblink:

https://metropolisindia.com/newdata/Investors/code-of-conduct/MHL_Policy-on-Related-Party-Transaction.pdf

All the Related Party Transactions entered into during the financial year were entered in the Ordinary course of business and at an arm's length basis. There are 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 arms length pricing and not material 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 placed before the Audit Committee and the Board on a quarterly basis.

The members may refer to note no. 39 to the financial statements which set out Related Party Disclosures.

AUDITORS AND REPORTS

Statutory Auditors

B S R & Co. LLP, Chartered Accountants (ICAI Firm No. 101248W/W-100022) was appointed as Statutory Auditors of the Company, for a term of 5 (five) consecutive years, at the 17th Annual General Meeting (AGM) held on September 18, 2017.

Further, in terms of Companies (Amendment) Act, 2017 notified w.e.f. May 7, 2018, the requirement for ratification of appointment of the Statutory Auditors at every AGM is not required and therefore, the matter is not placed before the members for their approval.

The Auditors Report for the financial year ended March 31, 2021, does not contain any qualification, reservation or adverse remark. Further, the Auditors have expressed an Unmodified

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Opinion on the Audited Financial Statements (Standalone and Consolidated) for the financial year ended March 31, 2021.

Pursuant to provisions of the Section 143(12) of the Companies Act, 2013 neither the Statutory Auditors nor the Secretarial Auditor have reported any incident of fraud to the Audit or the Risk Committee during the year under review.

Secretarial Auditor and Secretarial Audit Report

Pursuant to Section 204 read with Section 134(3) of the Companies Act, 2013 read 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 2021. The Secretarial Audit Report in the prescribed Form No. MR-3 is attached as **"Annexure 2"** and forms a part of this Report.

The Secretarial Audit report does not contain any qualification, reservation or adverse remark.

The following are the clarifications to the observations given by the Secretarial Auditor in their Audit report:

1. Some properties are yet to be mutated in the name of the company, accordingly to that extent the same are not in compliance with provisions of Section 187 of the Act;

Company Response: The Company is in the process of getting the title deeds registered in the name of the Company, since the said properties were acquired under the scheme of amalgamation, the Company has already filed necessary documents with the adjudication authorities.

2. The requirement relating to having an Independent Woman Director applicable to the company with effect from April 1, 2020 under Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was however complied w.e.f. May 14, 2020;

Company Response: The Company had taken steps and made to appoint a Woman Independent Director on its Board within the stipulated time frame but however due to strict lockdown from March 2020 in view of the outbreak of COVID-19 and further Company's active involvement to build infrastructure for COVID-19 testing during this turbulent time, the appointment of a Woman Independent Director got little delayed.

The BSE Limited and the National Stock Exchange of India Limited levied a penalty of Rs. 2,53,700 (to be paid to each Exchange) for non-appointment of a Woman Independent Director for the period April 1, 2020 to May

13, 2020 after seeking for clarification from the Company on the non-compliance of the same.

However, to meet the deadline for depositing the penalty amount, the Company has simultaneously deposited the amount of penalty levied by BSE on September 4, 2020 and by NSE on August 29, 2020 and filed the applications with the exchanges for the waiver of fine. The application for the waiver of fine was considered favourably and the waiver of penalty was allowed by National Stock of India Limited, and the said matter is still pending with BSE Ltd.

3. The Company has not spent in full the mandated percentage of 2% average profits on Corporate Social Responsibility (CSR) activities; however the reasons for not being able to spend has been duly disclosed in the Report made under Section 135 of the Act and further such unspent amount has been transferred to a separate bank account within the stipulated time as the earmarked spending is related to ongoing projects;

Company Response: During the year, the Company collaborated as an Industry partner in pursuance of its CSR initiative with Delhi Skill & Entrepreneurship University ('DSEU') for the purpose of initiating a academic multi-year structured course of 3 (three) years leading to a degree in the field of Medical Laboratory Science and approved it as a multiyear ongoing project as the fresh initiative under the current CSR platform MEDENGAGE known as MEDENGAGE DSEU project.

However till the year ended March 31, 2021, the above project could not be implemented and therefore, no amount was spent on the said ongoing project during the Financial Year 2020-2021.

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company has transferred the total unspent amount relating to the Ongoing project in a separate bank account within the stipulated time.

Internal Auditor

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

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, and on the recommendation of the Audit Committee, Suresh Surana & Associates LLP, were appointed by the Board of Directors to conduct internal audit reviews of the Company and the Internal Auditor directly reports to the Audit Committee for functional matters.

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The Audit Committee in its quarterly meetings reviews the internal audit and controls reports. The Company's internal controls are 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 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 dematerialised 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 of the Company and includes collective identification of risks impacting the Company's business and documents their process of identification, mitigation and optimisation of such risks. The Risk Management Policy is available on the website of the Company and can be accessed through the following weblink:

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

INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Company has an internal control system. All these controls were operating effectively during the year. The Company has adequate internal financial controls. Further, the members of the Audit Committee interact with the Statutory Auditors, Internal Auditors and management in dealing with matters within its terms of reference. During the year, such controls were assessed to find out any weaknesses in them. Services of professional consultants were obtained to remove such weaknesses wherever required and ensuring that the internal financial controls are robust and are operating effectively.

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 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 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 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 have the audit of its Cost records. The aforementioned audit is required to be conducted by a Cost Accountant. The Board of Directors of the Company have on the recommendation of the Audit Committee, 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 2021-2022. The Board of Directors on recommendation of the Audit Committee have approved a remuneration of Rs. 1,00,000 plus applicable GST and reimbursement of travelling and out of pocket expenses, subject to the ratification of their remuneration by the Members of the Company at the ensuing AGM.

M/s. Joshi Apte & Associates have, under Section 141 of the Act and the Rules framed thereunder, 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 Company's 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 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. The contents of the CSR Policy of the Company

BOARD'S REPORT (Contd.)

as approved by the Board 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://metropolisindia.com/newdata/Investors/CSR/MHL-Revised+CSR+policy_wef+May+27-2021.pdf

The complete details on the CSR activities is enclosed as **"Annexure 3"**

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 reaffirmed its Rating: CRISIL AA-/stable on the Non Convertible Debentures and long term loan facility of the Company.

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

The Company has not issued any NCD or availed any bank loan (short-term / long-term) for the year ended on March 31, 2021.

EMPLOYEE STOCK OPTIONS / RSU PLAN

The Nomination and Remuneration Committee of the Board of Directors 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 no change in the ESOP scheme of the Company.

The Company has an operative Metropolis Employee Stock Option Scheme 2015 (MESOS - 2015) as well as the Metropolis - Restrictive Stock Unit Plan, 2020 (MHL-RSU Plan, 2020) which provides for grant of Stock Options / Units to eligible employees of the Company. 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 provided in **'Annexure-4'** to this Report.

During the year under review, the Company has allotted 51,096 equity shares on May 13, 2020, 2,47,264 equity shares on August 11, 2020, 1,77,887 equity shares on November 11, 2020 and 10,000 equity shares on February 10, 2021, respectively pursuant to the exercise of Options to the eligible employees of the Company under the Metropolis Employee Stock Options Scheme 2015 (MESOS-2015).

Further, during the year under review, the Nomination and Remuneration Committee of the Company has granted 2,06,700 RSU's on May 29, 2020, 7,400 RSU's on August 11, 2020, 22,750 RSU's on November 11, 2020 and 4,550 RSU's on February 10, 2021, respectively pursuant to the Metropolis - Restrictive Stock Unit Plan, 2020 to the eligible employees of the Company / Subsidiaries.

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 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 and 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 except 2 Equity shares held in physical mode.

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:

BOARD'S REPORT (Contd.)

A CONSERVATION OF ENERGY		
i)	Steps taken or impact on conservation of energy	Your Company accords highest priority to energy conservation and is committed for energy conservation measures including regular review of energy consumption and effective control on utilisation 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 places by educating and training the employees to conserve energy. The Company has installed invertor AC in areas which are operating extended hours. Energy saving LED lights are installed at various laboratories and collection centres. Every year, energy audit is conducted at Central Laboratory of the Company which is carried out by Independent Professional Agency.
ii)	Steps taken by the Company for utilising alternate sources of energy	The Company being in the service industry does not have any power generation units and did not produce/generate any renewable or conventional power
iii)	Capital investment on energy conservation equipment	The Capital investment on energy conservation equipment is insignificant.
B TECHNOLOGY ABSORPTION		
i)	Efforts made towards technology absorption	The Company being in 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 and commensurate to the size, scale and complexity of its operations.
ii)	Benefits derived from technology absorption	Technology absorption has helped the Company to provide better and more accurate service to the Customers.
iii)	Details of Imported technology (last three years)	
	-Details of technology imported	Nil
	-Year of Import	N.A.
	-Whether technology being fully absorbed	N.A.
	-If not fully absorbed, areas where absorption has not taken place and reasons thereof	N.A.
iv)	Expenditure incurred on Research and development	Nil
C FOREIGN EXCHANGE EARNINGS AND OUTGO (₹ in Lakhs)		
i)	Foreign Exchange inflow	1300.32
ii)	Foreign Exchange outflow	99.12

VIGIL MECHANISM/ WHISTLEBLOWER

The Company has in place a vigil mechanism as required under 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, or 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://metropolisindia.com/newdata/Investors/code-of-conduct/MHL_Whistle-Blower-PolicyA.pdf

BOARD'S REPORT (Contd.)**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 for 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, 1 (One) complaint was received and the same has been resolved in accordance with the Company's policy on prevention, prohibition and redressal of sexual harassment at workplace.

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 and the

Company complies with all the applicable provisions of the same during the year under review.

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

Sd/-

Dr. Sushil Kanubhai Shah

Chairman & Executive Director

(DIN: 00179918)

Place: Miami

Date: May 27, 2021

ANNEXURE - 1

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	Re-serves & surplus	Total assets	Total Liabilities	Investments	Turn-over/Op. Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend (inclusive tax)	% of share-holding
1	Desai Metropolis Health Services Private Limited	January 08, 2008	March 31, 2021	INR	100	1,862.63	3,754.26	1,791.63	-	3,827.44	980.63	416.34	564.29	-	100.00%
2	Lab One Metropolis Healthcare Services Private Limited	October 31, 2012	March 31, 2021	INR	133.00	406.37	925.82	386.45	-	587.53	20.02	8.61	11.41	-	100.00%
3	Micron Metropolis Healthcare Private Limited	December 15, 2011	March 31, 2021	INR	10.00	551.56	1,122.83	599.77	38.70	1,517.76	219.38	59.84	159.54	-	100.00%
4	Raj Metropolis Healthcare Private Limited	February 06, 2012	March 31, 2021	INR	1.82	103.17	202.60	97.61	-	111.16	2.41	(6.35)	8.76	-	100.00%
5	Amin's Pathology Laboratory Private Limited	October 15, 2012	March 31, 2021	INR	10	847.17	1,200.49	343.32	-	493.84	(46.31)	18.96	(65.27)	-	100.00%
6	Ektopath Metropolis Lab Services Private Limited	February 14, 2013	March 31, 2021	INR	51	287.60	605.74	267.14	-	517.34	87.29	23.89	63.40	-	60.00%
7	Sudharma Metropolis Health Services Private Limited	March 27, 2008	March 31, 2021	INR	67.50	1,626.44	3,157.22	1,887.21	423.93	4,487.89	621.29	165.77	455.51	-	100.00%
8	Bokil Golwilar Metropolis Healthcare Private Limited	August 30, 2013	March 31, 2021	INR	101.00	542.20	836.86	242.21	48.55	1,017.29	212.37	58.34	154.03	-	100.00%
9	Dr. Patel Metropolis Healthcare Private Limited	February 02, 2012	March 31, 2021	INR	5.00	1,545.67	1,613.73	383.62	320.56	2,505.70	652.64	165.31	487.33	-	100.00%
10	R.V. Metropolis Diagnostic & Health Care Center Private Limited	April 03, 2008	March 31, 2021	INR	3.38	1,232.22	2,534.33	1,298.73	-	4,163.48	899.65	230.40	669.25	-	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	Turn-over/Op. Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend (inclusive tax)	% of share-holding
11	Metropolis Healthcare (Mauritius) Ltd	September 11, 2012	March 31, 2021	1USD=(BS)=73.44 1USD=(P&L)=74.1188	125.69	(551.79)	1,326.82	1,752.92	-	406.33	(159.81)	-	(159.81)	-	100.00%
12	Metropolis Bramser Lab Services (Mtius) Ltd	December 20, 2013	December 31, 2020	1MUR=(BS)=1.8443 1MUR=(PL)=1.8829	0.19	186.64	244.53	57.70	-	46.40	(65.56)	(1.76)	(63.80)	-	100.00%
13	Metropolis Star Lab Kenya Limited	November 21, 2012	December 31, 2020	1KES=(BS)=0.6687 1KES=(P&L)=0.6948	5.44	1,527.38	2,523.25	990.43	-	2,435.03	486.22	108.74	377.48	-	100.00%
14	Metropolis Healthcare Ghana Ltd	May 02, 2014	December 31, 2020	1GHS=(BS)=12.3317 1GHS=(PL)=12.8655	182.40	(354.57)	738.32	910.49	-	557.37	(55.43)	-	(55.43)	-	100.00%
15	Metropolis Healthcare Lanka Pvt. Limited (Formerly known as Nawaloka Metropolis Laboratories Private Limited)	May 26, 2005	March 31, 2021	1SLR=(BS)=0.3678 1SLR=(P & L)=0.3940	11.04	27.87	479.48	440.57	-	100.67	(10.42)	0.03	(10.45)	-	100.00%
16	Metropolis Healthcare (Tanzania) Limited	August 19, 2018	December 31, 2020	1TZS=(BS)=0.0318 1TZS=(P & L)=0.0320	139.39	(68.11)	166.29	85.01	-	156.38	(16.91)	-	(16.91)	-	99.99%
17	Metropolis Healthcare Uganda Limited ^a	July 22, 2015	December 31, 2020	1UGS=(BS)=0.0201595	5.04	-	5.04	-	-	-	-	-	-	-	100.00%

^a The Company yet to commence operations

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, 2021)

Sr. No	Name of Associates/Joint Ventures	Star Metropolis Health Services Middle East LLC#	Metropolis Histoexpert Digital Services Private Limited
1	Latest audited Balance Sheet Date	Unaudited	March 31, 2021
2	Shares of Associate/Joint Ventures held by the Company on the year end		
(i)	Number	1020	1,950,000
(ii)	Amount of Investment in Associates/Joint Venture		195
(iii)	Extend of Holding %	34%	65%
3	Description of how there is significant influence	Shareholding	Shareholding
4	Reason why the Associate/Joint Venture is not consolidated	Non availability of financial information	N.A.
5	Networth attributable to Shareholding as per latest Audited Balance Sheet		(17.84)
6	Profit / (Loss) for the year		(11.33)
(i)	Considered in Consolidation		-
(ii)	Not Considered in Consolidation		(11.33)
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 50)

Note : This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

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

L73100MH2000PLC192798

Dr. Sushil Shah

Chairman & Executive Director
DIN: 00179918
Place : Miami (USA)

Ameera Shah

Managing Director
DIN: 00208095
Place : Dubai

Poonam Tanwani

Company Secretary
Membership No: ACS 19182
Place : Ahmedabad

Vijender Singh

Chief Executive Officer
Place : Gurugram

Rakesh Agarwal

Chief Financial Officer
Place : Mumbai

Date : 27 May 2021

ANNEXURE - 2

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[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, 2021 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, 2021 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;
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(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, 2009 **(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 Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994 and rules made thereunder; 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

ANNEXURE - 2 (Contd.)

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 subject to the following observations:

- (a) some properties are yet to be mutated in the name of the company, accordingly to that extent the same are not in compliance with provisions of section 187 of the Act;
- (b) the requirement relating to having an Independent Woman Director applicable to the company with effect from April 1, 2020 under Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was however complied w.e.f. May 14, 2020;
- (c) the company has not spent in full the mandated percentage of 2% of average profits on Corporate Social Responsibility (CSR) activities; however the reasons for not being able to spend has been duly disclosed in the Report made under Section 135 of the Act and further such unspent amount has been transferred to a separate bank account within the stipulated time as the earmarked spending is related to ongoing projects.

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 subject to our remarks mentioned sub para "(b)" of previous paragraph above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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 for one meeting which was held on 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.

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 Board of Directors at their meeting held on February 10, 2021 declared for payment an interim dividend (for the financial year 2020-21) @ Rs.8 per share aggregating to Rs.40,89,34,504 (subject to deduction of tax at source wherever applicable) on the equity share capital of the Company;
2. the Share Purchase and Shareholders Agreement (SPSHA) dated January 16, 2020, entered into by the company for the acquisition of 51% of stake i.e., 5,100 Equity Shares of M/s. Shraddha Diagnostic Centre (I) Private Limited (SDCIPL) from its existing shareholders at a consideration of Rs. 9,36,30,000/- was terminated by the promoters/shareholders of SDCIPL due to their inability to fulfil certain conditions precedent under the SPSHA;
3. the Company has allotted in aggregate 4,86,247 fully paid up Equity Shares of Rs. 2/- each on various dates (51,096 Equity Shares on May 13, 2020; 2,47,264 Equity Shares on August 11, 2020; 1,77,887 on November 11, 2020; and 10,000 Equity Shares on February 10, 2021) to the grantees upon exercise of Stock Options granted pursuant to 'Metropolis Employees Stock Options Scheme - 2015';
4. the company has granted in aggregate 2,41,400 (2,06,700 on May 29, 2020; 7,400 on August 11, 2020; 22,750 on November 11, 2020; and 4,550 on February 10, 2021) Restricted Stock Units under the 'Metropolis Restrictive Stock Unit Plan, 2020' and 10,000 Stock Options under 'Metropolis Employees Stock Options Scheme, 2015' on May 29, 2020 to the eligible employees of the Company and its Subsidiaries;
5. completed the acquisition of balance stake of 49% of its subsidiary Raj Metropolis Healthcare Private Limited on November 5, 2020 and by virtue of the same, Raj

ANNEXURE - 2 (Contd.)

Metropolis Healthcare Private Limited became a wholly owned subsidiary of the Company; and

6. the company has approved the acquisition of entire stake i.e., 100% in Dr. Ganesan's Hitech Diagnostic Centre Private Limited (along with its wholly owned subsidiary Centralab Healthcare Services Private Limited) from its shareholders (selling shareholders) for a total consideration of Rs 617.42 crore to be payable in part by way of cash amounting to Rs.511 crore and partly by issuance of up to 4,95,000 fully paid-up Equity Shares of Rs. 2/- each of the Company at a price of Rs.2,150.85 per

share on preferential basis; the issue of Equity Shares on preferential basis as above has received the approval of the members of the company vide special resolution passed through Postal Ballot on February 18, 2021; the Company is in the process of completing the allotment of aforesaid Equity Shares to the selling shareholders on preferential basis.

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)

CS Mannish L. Ghia

Partner

M. No. FCS 6252, C.P. No. 3531

PR 822/2020

Place: Mumbai

Date: May 27, 2021

UDIN: F006252C000363422

'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.
7. On account various restrictions imposed by the Government Authorities on opening of offices, travel and movement due to Covid19 pandemic during the year under review, we for the purpose of completion of our audit have relied on documents and papers provided in electronic form through email/other virtual means for verification of compliances.

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

CS Mannish L. Ghia

Partner

M. No. FCS 6252, C.P. No. 3531

PR 822/2020

Place: Mumbai

Date: May 27, 2021

UDIN: F006252C000363422

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, 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.

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://metropolisindia.com/newdata/Investors/CSR/MHL-Revised+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	4	3*
2	Ms. Ameera Shah (Member)	Managing Director	4	4
3	Mr. Milind Sarwate (Member)	Non Executive Independent Director	4	4
4	Mr. Vivek Gambhir* (Chairperson)	Non Executive Independent Director	4	1

* Mr. Vivek Gambhir, erstwhile Chairperson of the CSR Committee stepped down from the Committee w.e.f. July 15, 2020 and Mrs. Anita Ramachandran was appointed as the Chairperson in place of Mr. Vivek Gambhir w.e.f. July 15, 2020.

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 DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT).

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

ANNEXURE - 3 (Contd.)

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY

There is no amount available with the Company that can be set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5) FOR SPENDING DURING THE FINANCIAL YEAR 2020-2021.

The average Net profit of the Company as per Section 135(3) for the Financial Year 2020-2021 was Rs. 1,44,87,03,985

7. (A) TWO PERCENT OF AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5) FOR SPENDING DURING THE FINANCIAL YEAR 2020-2021.

Two percent of average net profit of the Company as per Section 135(5) for the Financial Year 2020-2021 is Rs. 2,90,00,000

(B) SURPLUS ARISING OUT OF THE CSR PROJECTS OR PROGRAMMES OR ACTIVITIES OF THE PREVIOUS FINANCIAL YEARS.

Not Applicable

(C) AMOUNT REQUIRED TO BE SET OFF FOR THE FINANCIAL YEAR, IF ANY.

Not Applicable

(D) TOTAL CSR OBLIGATION FOR THE FINANCIAL YEAR (7A+7B-7C).

The Total CSR Obligation for the Financial Year 2020-2021 was Rs. 2,90,00,000

8. (A) CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR 2020-2021:

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.
1,94,02,061	1,00,00,000	April 30, 2021	-	-	-

(B) DETAILS OF CSR AMOUNT SPENT AGAINST ONGOING PROJECTS FOR THE FINANCIAL YEAR:

During the year, the company collaborated as an Industry partner in pursuance of its CSR initiative with Delhi Skill & Entrepreneurship University ('DSEU') for the purpose of initiating a academic multi-year structured course of 3 (three) years leading to a degree in the field of Medical Laboratory Science and approved it as a multiyear ongoing project as the fresh initiative under the current CSR platform MEDENGAGE known as MEDENGAGE DSEU project, however till the year ended March 31, 2021, the project could not be implemented and therefore, no amount was spent on the said ongoing project during the Financial Year 2020-2021.

ANNEXURE - 3 (Contd.)

(C) DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR:

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/ No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name	CSR registration number.
1	MedEngage	Promoting Education	Yes	Pan India		92,11,710	Direct	-	-
2	MetHealth	Promoting health awareness	Yes	Pan India		17,86,452	Direct	-	-
3	Too Shy to ask	Promoting health awareness	Yes	Pan India		72,67,269	Direct	-	-
4	Empoweress	Promoting Women Empowerment	Yes	Pan India		11,36,630	Direct	-	-
Total						1,94,02,061			

(D) AMOUNT SPENT IN ADMINISTRATIVE OVERHEADS - NIL

(E) AMOUNT SPENT ON IMPACT ASSESSMENT, IF APPLICABLE - NOT APPLICABLE

(F) TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR 2020-2021 (8B+8C+8D+8E)

The total amount spent for the Financial Year 2020-2021 was Rs.1,94,02,061

(G) EXCESS AMOUNT FOR SET OFF, IF ANY - NOT APPLICABLE

9. (A) DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting 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.)
				Name of the Fund	Amount (in Rs.).	Date of transfer.	
1.	2019-2020*	-	76,97,212	-	-	-	-
2.	2018-2019	-	79,45,000	-	-	-	-
3.	2017-2018	-	47,72,909	-	-	-	-
Total		-	2,04,15,121	-	-	-	-

*For financial year 2019-2020, the Company has transferred the unspent amount of Rs. 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): NOT APPLICABLE

ANNEXURE - 3 (Contd.)

10. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR: NOT APPLICABLE

11. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5).

During the year, the company collaborated as an Industry partner in pursuance of its CSR initiative with Delhi Skill & Entrepreneurship University ('DSEU') for the purpose of initiating a academic multi-year structured course of 3 (three) years leading to a degree in the field of Medical Laboratory Science and approved it as a multiyear ongoing project as the fresh initiative under the current CSR platform MEDENGAGE known as MEDENGAGE DSEU project. However, due to the challenges imposed by the COVID-19 pandemic, the project could not be implemented till the year ended March 31, 2021, and therefore, no amount was spent on the said ongoing project during the Financial Year 2020-2021.

On April 30, 2021, the Company has transferred an amount of Rs. 1,00,00,000 to a separate bank account within the stipulated time which remained unspent towards the Ongoing project as approved by the CSR Committee and the Board of Directors as per the provisions of section 135(6) of the Companies Act, 2013.

Sd/-

Ameera Sushil Shah

Member of CSR Committee

DIN: 00208095

Place: Dubai

Date: May 27, 2021

Sd/-

Anita Ramachandran

Chairperson of CSR Committee

DIN: 00118188

Place: Mumbai

Date: May 27, 2021

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, 2021

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. 46(c) to the Financial Statements of the Company for the year ended March 31, 2021.

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.

₹ 38.61

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 6, 2020
2	Total number of options / units approved under ESOP / RSU	12,21,324# options convertible into equivalent no. of equity shares.	2,70,000 Units convertible into equivalent no. of equity shares.
3	Vesting requirement	i) Options granted to Existing employees (person who is in continuous employment with the Company since January 1, 2016 or prior thereto) shall vest as below: <ul style="list-style-type: none"> a) 50% - on January 1, 2018; b) 25% -on January 1, 2019 and ; c) 25% on January 1, 2020. ii) Options granted to New employees (person who is in continuous employment with the Company after January 1, 2016) shall vest as below : <ul style="list-style-type: none"> a) 50% of grant on completion of 2 years from date of joining; 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. 	i) 15% at the end of Year 1 of the grant ii) 20% at the end of Year 2 of the grant iii) 25% at the end of Year 3 of the grant iv) 40% at the end of Year 4 of the grant 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.

ANNEXURE - 4 (Contd.)

Sr. No.	Particulars	MESOS 2015	RSU 2020
4	Exercise price or pricing formula	₹ 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 4 (four) 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 FY 2020-2021.	There was no variation in terms of Units outstanding during FY 2020-2021.
(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	5,60,315	2,70,000
2	No. of options / units granted during the year	10,000	2,41,400
3	No. of options / units forfeited/ lapsed during the year	51,168	4,400
4	No. of options / units vested during the year	22,100	-
5	No. of options / units exercised during the year	4,86,247	-
6	No. of shares arising as a result of exercise of options / untis	4,86,247	-
7	Money realized by exercise of options / untis (₹). If scheme is implemented directly by the Company	₹ 34,31,78,545/-	-
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	32,900	2,70,000
10	No. of options / units exercisable at the end of the year	21,600	2,70,000
(v)	Weighted-average exercise prices ("WAEP") and weighted-average fair values ("WAFV") of Options / Units		

ANNEXURE - 4 (Contd.)

Sr. No.	Particulars	MESOS 2015	RSU 2020
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. 1,261.26
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		
	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;	N.A.	As provided in notes to accounts no. 46(c)
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. 46(c)
4	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.		

#Post bonus and split during the Financial year 2018-2019.

Details of RSUs granted to Senior Management Employees and during the year:

ANNEXURE - 4 (Contd.)

S r . No.	Name	Designation	No. of RSUs granted
1.	Mr. Vijender Singh	Chief Executive Officer	91200
2.	Mr. Rakesh Agarwal	Chief Financial Officer	19500
3.	Ms. Poonam Tanwani	Company Secretary and Compliance Officer	1000
4.	Mr. Avadhut Joshi	Senior Vice President - BD and Operations (SBU Africa)	16000
5.	Dr. Nilesh Shah	President and Head of Science & Innovation	8900
6.	Mr. Ajit Vetha	Chief Operating Officer - SBU South	12000
7.	Ms. Ishita Medhekar	Chief Human Resource Officer	8000
8.	Dr. Kirti Chadha	Senior Vice President - GRL Operations	6000
9.	Mr. Kannan Alangadan	Chief of Services and Operations	10000
10.	Mr. Abdur Razzaque	Group IT Head	6000

Details of RSUs granted to employees amounting to 5% or more of RSUs granted during the year:

S r . No.	Name	Designation	No. of RSUs granted
1.	Mr. Vijender Singh	Chief Executive Officer	91200
2.	Mr. Rakesh Agarwal	Chief Financial Officer	19500
3.	Mr. Avadhut Joshi	Senior Vice President - BD and Operations (SBU Africa)	16000

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

Sd/-

Sushil Kanubhai Shah

Chairman & Executive Director

DIN: 00179918

Place: Miami
Date: May 27, 2021

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. 2,31,188 which increased by 9.19% over the previous year's median remuneration of Rs. 2,11,730.

2. THE RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF EMPLOYEES FOR THE FINANCIAL YEAR 2020-2021; AND

3. THE PERCENTAGE INCREASE IN REMUNERATION OF EACH DIRECTOR, CHIEF FINANCIAL OFFICER, CHIEF EXECUTIVE OFFICER, COMPANY SECRETARY OR MANAGER, DURING THE FINANCIAL YEAR 2020-2021:

(₹ in Lakhs)

Sr. No	Name	Designation	Remuneration for the financial year 2020-2021	Percentage increase/ (decrease) in remuneration in the financial year 2020-2021 (%)	Ratio to median remuneration (in times)
Non-Executive Directors*					
1	Mr. Milind Sarwate	Independent Director	19	1.23%	8.23
2	Mr. Vivek Gambhir	Independent Director	13	-25.8%	5.63
3	Mr. Sanjay Bhatnagar	Independent Director	12.50	10.91%	5.41
4	Ms. Anita Ramachandran [§]	Independent Director &	7.25 [§]	N.A. [§]	3.14 [§]
Executive Directors					
5	Dr. Sushil Kanubhai Shah [~]	Chairman and Executive Director	182.10 [~]	2.19% [~]	78.77 [~]
6	Ms. Ameera Shah [®]	Managing Director	249.54 [®]	-48.86% [®]	107.94 [®]
Key Managerial Personnel					
7	Mr. Vijender Singh [*]	Chief Executive Officer	3,174.42 [*]	618.23% [*]	1,373.09 [*]
8	Mr. Rakesh Agarwal [^]	Chief Financial Officer	65.75	114.35% [^]	28.44
9.	Mr. Poonam Tanwani [§]	Company Secretary & Compliance Officer	25.56	612% [§]	11.06 [§]

[§]Ms. Anita Ramachandran was appointed as an Additional Director with effect from May 14, 2020

[~]Includes Ex-gratia payment of Rs. 4.5 lakhs for the period October 2019 to March 2020 paid during the year

[®]Ms. Ameera Sushil Shah waived part of her remuneration for the financial year 2020-2021

[~]Includes perquisites for exercise of ESOPs during the year

^{*}Mr. Rakesh Agarwal was employed for part of the Financial Year 2019-2020

[§]Ms. Poonam Tanwani was employed for part of the Financial Year 2019-2020

The remuneration paid to Non Executive Directors comprises of Sitting Fees paid for attending the Meetings of the Board and/or its Committees.

ANNEXURE - 5 (Contd.)

- 4. THE NUMBER OF PERMANENT EMPLOYEES ON ROLLS OF THE COMPANY: 3751**
- 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 9.67 % as against an increase of -2.13 % 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.

- 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 Kanubhai Shah

Chairman & Executive Director

(DIN: 00179918)

Place: Miami

Date: May 27, 2021