

To,
Head, Listing Compliance Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

Scrip Code: 542650

To,
Head, Listing Compliance Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1. G Block,
Bandra – Kurla Complex, Bandra (East),
Mumbai – 400 051
Scrip Symbol: METROPOLIS

Sub: Outcome of Board Meeting held on Saturday, November 04, 2023

Ref: Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR')

Dear Sir/ Madam,

This is to inform you that the Board of Directors of the Company at their Meeting held today i.e. Saturday, November 04, 2023 have inter-alia:

- i. Approved the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2023 and noted the Limited Review Report issued by the Statutory Auditors of the Company thereon.

The Copy of the Unaudited Standalone & Consolidated Financial Results of the Company as approved by the Board of Directors together with the Limited Review Report thereon for the quarter and half year ended September 30, 2023 is enclosed herewith as Annexure – 1.

- ii. Approved and Declared payment of an Interim Dividend at the rate of INR 4/- (Indian Rupees Four Only) per Equity Share on the Face Value of INR 2/- (Indian Rupees Two Only) per Equity Share for the Financial Year 2023-24. The Board has fixed Friday, November 17, 2023 as the “**Record Date**” for the purpose of ascertaining the eligibility of the shareholders for payment of Interim Dividend. The Interim Dividend will be paid to the shareholders within 30 days of declaration.
- iii. Approved execution of the Settlement Agreement with Equity Shareholder(s) of Star Health Services Middle East LLC – Dubai, an Associate Company (“**Associate**”) The Settlement Agreement will enable the Company to liquidate the Associate as per the applicable laws. The details are enclosed herewith as Annexure 2.
- iv. Noted fraud by the employees of the Company pursuant to a receipt of Whistle-blower complaint, the complete details of which are enclosed herewith as Annexure 3.

BLOOD TESTS • DIAGNOSTICS • WELLNESS

METROPOLIS
The Pathology Specialist

Metropolis Healthcare Limited

Registered & Corporate Office: 250 D, Udyog Bhavan, Hind Cycle Marg, Worli, Mumbai - 400 030.

CIN: L73100MH2000PLC192798 Tel No.: 8422 801 801 Email: support@metropolisindia.com

Website: www.metropolisindia.com

Global Reference Laboratory: 4th Floor, Commercial Building-1A, Kohinoor Mall, Vidyavihar (W), Mumbai - 400 070.

The meeting commenced at 02:00 p.m. (IST) and concluded at 05:55 p.m. (IST).

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully

For **Metropolis Healthcare Limited**



Neha Shah
Interim Company Secretary &
Compliance Officer
Membership No. A51465



Encl. a/a

BLOOD TESTS • DIAGNOSTICS • WELLNESS

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B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway
Goregaon (East), Mumbai – 400 063, India
Telephone: +91 (22) 6257 1000
Fax: +91 (22) 6257 1010

Limited Review Report on unaudited standalone financial results of Metropolis Healthcare Limited for the quarter ended 30 September 2023 and year to date results for the period from 01 April 2023 to 30 September 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Metropolis Healthcare Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Metropolis Healthcare Limited (hereinafter referred to as "the Company") for the quarter ended 30 September 2023 and year to date results for the period from 01 April 2023 to 30 September 2023 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Chartered Accountants

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

Rajesh Mehra

Partner

Mumbai

04 November 2023

Membership No.: 103145

UDIN:23103145BGXWYX8119

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Metropolis Healthcare Limited
Registered and Corporate Office: 250 D, Udyog Bhavan, Hind Cycle Marg, Worli, Mumbai - 400030
CIN:L73100MH2000PLC192798
Tel. No.: 022 6258 2810
Email: support@metropolisindia.com
Website: www.metropolisindia.com



Global Reference Lab: 4th Floor Commercial Bldg. - 1A, Kohinoor Mall, Vidyavihar (West), Mumbai - 400070

Statement of Standalone Financial Results for the quarter and six months ended 30 September 2023

Sr. No.	Particulars	Quarter ended			Six Months ended		Year ended
		30 September 2023 (Unaudited)	30 June 2023 (Unaudited)	30 September 2022 (Unaudited)	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)	31 March 2023 (Audited)
1	Income						
	a) Revenue from operations	28,545.65	25,629.34	28,006.01	54,174.99	53,708.06	1,06,604.07
	b) Other income	200.80	278.13	292.96	478.93	535.37	2,128.26
	Total Income	28,746.45	25,907.47	28,298.97	54,653.92	54,243.43	1,08,732.33
2	Expenses						
	a) Cost of material consumed	5,629.23	5,279.38	6,436.23	10,908.61	12,165.64	23,554.58
	b) Laboratory testing charges	264.21	234.74	186.67	498.95	403.87	574.87
	c) Employee benefits expense	6,403.11	5,847.19	5,527.04	12,250.30	11,249.95	22,816.29
	d) Finance costs	561.97	582.51	691.95	1,144.48	1,442.18	2,669.18
	e) Depreciation and amortisation expense	2,137.00	1,998.64	2,040.15	4,135.64	4,077.43	8,495.60
	f) Other expenses	9,501.82	8,441.79	8,349.77	17,943.61	16,279.61	32,727.29
	Total Expenses	24,497.34	22,384.25	23,231.81	46,881.59	45,618.68	90,837.81
3	Profit before tax (1) - (2)	4,249.11	3,523.22	5,067.16	7,772.33	8,624.75	17,894.52
4	Tax expenses						
	Current tax	1,303.19	947.20	1,411.76	2,250.39	2,353.52	4,500.05
	Deferred tax expense/(income)	(181.97)	(37.31)	(130.00)	(219.28)	(306.94)	(241.78)
	Tax adjustments for earlier years	-	-	3.83	-	(40.95)	(258.48)
	Total tax expenses	1,121.22	909.89	1,285.59	2,031.11	2,005.63	3,999.79
5	Profit for the period/year (3) - (4)	3,127.89	2,613.33	3,781.57	5,741.22	6,619.12	13,894.73
6	Other comprehensive income						
	Items that will not be reclassified subsequently to profit and loss (net of tax)	(103.49)	(40.93)	(98.13)	(144.42)	(118.51)	(163.72)
	Items that will be subsequently reclassified to profit and loss (net of tax)	-	-	-	-	-	-
	Other comprehensive income for the period /year (net of tax)	(103.49)	(40.93)	(98.13)	(144.42)	(118.51)	(163.72)
7	Total comprehensive income (5) + (6)	3,024.40	2,572.40	3,683.44	5,596.80	6,500.61	13,731.01
8	Paid-up equity share capital (face value - Rs. 2 per share)	1,024.41	1,024.22	1,024.00	1,024.41	1,024.00	1,024.21
9	Other equity	-	-	-	-	-	92,577.43
10	Earnings per share (Face value of Rs 2 each) basic- (Rs.)*	6.11	5.10	7.39	11.21	12.93	27.14
	Earnings per share (Face value of Rs 2 each) diluted - (Rs.)*	6.09	5.09	7.36	11.17	12.88	27.05

(*not annualised for the quarters)


See accompanying notes to the unaudited standalone financial results



NOTES:

- 1 The standalone financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India.
- 2 The standalone financial results of the Company have been reviewed by the Audit Committee at their meeting held on 04 November 2023 and thereafter approved by the Board of Directors at their meeting held on 04 November 2023. The statutory auditors have issued an unmodified review report on the above standalone financial results.
- 3 Disclosure of segment –wise information is not applicable, as pathology services is the Company's only business segment.
- 4 The Board of Directors of the Company, at their meeting held on 11 February 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 01 April 2022 and the members of Hitech in their Extra Ordinary General meeting held on 01 April 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 04 June 2022.
- 5 On 02 August 2023, the Board of Directors of the Company approved grant of 75,666 Restricted Stock Units (RSU) on the recommendation of the Nomination and Remuneration Committee, pursuant to the Metropolis – Restrictive Stock Unit Plan – 2020 to eligible employees of the Company. This is in addition to the RSU's approved under Restrictive Stock Unit Plan – 2020 to eligible employees of the Company / subsidiaries in the previous quarters.
- 6 Other expenses for the quarter and six months period ended 30 September 2023 includes Rs 334.19 lakhs on account of provision for doubtful debtors as an outcome of investigation relating to a whistle blower complaint.
- 7 The Board of Directors of the Company has accorded their approval for entering into a Settlement agreement with the equity shareholder(s) of Star Metropolis Health Services Middle East LLC – Dubai, associate of the Company ('the Associate') inter-alia to enable liquidation of the Associate as per the applicable laws.
- 8 On 16 November 2022, the Income Tax department conducted searches at the premises of the Company and some of its subsidiaries. No assets of the Company or its subsidiaries were seized during this process. The Company has been providing from time to time the information and clarifications sought by the Income Tax authorities. Subsequently, including during the current quarter, the Company and some of its subsidiaries have received notices under sections 142(1), 143(2), 147 and 148 of the Income Tax Act, 1961, that provide for the reopening of past assessment proceedings. Presently, there is no demand, and accordingly, no adjustments have been made in the financial results.
- 9 The Board of the Directors of the Company have approved interim dividend of Rs. 4 per equity shares (face value of Rs. 2 each) at the meeting held on 04 November 2023.
- 10 On review of the pattern of consumption of the future economic benefits embodied in the assets, it was noted that there has been change in expected pattern of consumption of these benefits. Accordingly, with effect from 01 April 2023, the Company has changed its depreciation/amortization method to Straight Line method from Written down value method for various class of assets to reflect this change. Such a change has been accounted for as a change in an accounting estimate in accordance with Ind AS 8 "Accounting Policies, Change in Accounting Estimates and Errors". Had the Company continued the previous Written Down Value Method for charging depreciation on all class of assets, charge for depreciation/amortisation for the quarter and six months period ended 30 September 2023 and for future period would have been higher by Rs. 250.02 lakhs, Rs. 515.40 lakhs and Rs. 666.72 lakhs respectively and consequentially deferred tax charge on the same for the quarter and six months period ended 30 September 2023 and for future period would have been lower by Rs. 62.93 lakhs, Rs. 129.73 lakhs and Rs. 167.81 lakhs respectively.
- 11 The standalone financial results of the Company are available for investors at www.metropolisindia.com, www.nseindia.com and www.bseindia.com.

Metropolis Healthcare Limited


Ameera Shah
Managing Director
DIN: 00208095
Place: Mumbai
Date: 04 November 2023



Metropolis Healthcare Limited
Standalone Balance Sheet as at 30 September 2023

(Rs. in Lakhs)



Particulars	As at 30 September 2023 (Unaudited)	As at 31 March 2023 (Audited)
I. ASSETS		
Non-current assets		
Property, plant and equipment	13,419.50	12,583.79
Capital work in progress		
Right-of-use Assets	16,906.40	17,181.57
Goodwill	41,542.55	41,542.55
Other intangible assets	34,911.32	35,269.00
Intangible assets under development	2,552.73	1,951.18
Equity accounted investees		
Financial assets		
i) Investments	3,665.16	3,665.16
ii) Loans	79.14	88.52
iii) Other financial assets	1,926.60	1,608.65
Non-current tax assets (net)	2,331.58	2,963.77
Other non-current assets	35.16	31.67
Total Non-current assets	1,17,370.14	1,16,885.86
Current assets		
Inventories	3,941.61	4,127.24
Financial assets		
i) Investments	3,610.61	1,306.14
ii) Trade receivables	12,918.77	12,619.17
iii) Cash and cash equivalents	1,808.33	2,408.68
iv) Bank balance other than cash and cash equivalents	1,300.36	1,885.50
v) Loans	620.79	1,560.12
vi) Other financial assets	656.08	1,318.68
Other current assets	1,735.65	1,318.08
Total Current assets	26,592.20	26,543.61
TOTAL ASSETS	1,43,962.34	1,43,429.47
II. EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,024.41	1,024.21
Other equity	98,197.70	92,577.43
TOTAL EQUITY	99,222.11	93,601.64
Non-current liabilities		
Financial liabilities		
i) Borrowings	162.00	3,077.42
ii) Lease liabilities	11,778.21	12,411.40
iii) Other financial liabilities		54.95
Provisions	1,442.43	1,281.13
Deferred tax liabilities (net)	7,408.10	7,675.96
Total Non-current liabilities	20,790.74	24,500.86
Current Liabilities		
Financial Liabilities		
i) Borrowings	4,495.69	5,151.81
ii) Lease liabilities	6,666.29	6,154.04
iii) Trade payables		
- Total outstanding due to micro enterprises and small enterprises	216.24	176.58
- Total outstanding dues of creditors other than micro enterprises and small enterprises	7,313.76	8,395.52
iv) Other financial liabilities	1,127.18	1,845.76
Other current liabilities	2,271.30	1,873.24
Provisions	1,137.55	949.34
Current tax liabilities (net)	721.48	780.68
Total Current liabilities	23,949.49	25,326.97
TOTAL LIABILITIES	44,740.23	49,827.83
TOTAL EQUITY AND LIABILITIES	1,43,962.34	1,43,429.47



(Rs. in Lakhs)

Particulars	Six months ended	
	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)
A Cash flows from operating activities		
Profit before tax	7,772.33	8,624.75
Adjustments for :		
Depreciation and amortisation expense	4,135.64	4,077.43
Interest paid on lease liabilities	883.01	836.95
Changes in fair value of current investments	(31.73)	(19.21)
(Profit) on sale/write-off of property, plant and equipment	(0.04)	2.88
Provision for bad and doubtful debts (net)	480.00	66.60
Provision for bad and doubtful advances (net)	69.77	-
Share based payments/(income) (net)	23.41	(234.68)
Interest on deferred purchase consideration	3.92	5.87
Unrealised foreign exchange loss/(gain) (net)	89.42	(216.95)
Interest expenses on borrowings	257.55	599.36
Sundry balances written back	-	0.02
Interest income	(121.53)	(171.37)
Interest income on income tax refund	-	(2.82)
Operating profit before working capital changes	13,561.75	13,568.83
Working capital adjustments:		
Decrease in inventories	185.63	1,193.94
Decrease in loans (current and non-current)	371.65	39.01
(Increase) in other assets (current and non-current)	(558.60)	(281.62)
(Increase)/Decrease in trade receivables	(718.80)	967.10
Decrease in other financial assets	602.72	465.17
Increase in provisions	156.52	79.16
(Decrease) in trade payables	(1,039.86)	(492.71)
(Decrease)/Increase in other financial liabilities	(376.40)	56.15
Increase/(Decrease) in other current liabilities	398.06	(372.20)
Cash flows generated from operating activities	12,582.67	15,222.83
Income taxes (paid)	(1,677.41)	(2,405.15)
Net cash flows generated from operating activities (A)	10,905.26	12,817.68
B Cash flows from investing activities		
Purchase of property, plant and equipment and capital work-in-progress	(2,792.85)	(3,197.03)
Deferred purchase consideration paid	(20.01)	-
Purchase of current investments	(15,755.00)	(1,282.58)
Proceeds from sale of current investments	13,482.18	-
Interest received	492.31	181.66
Net investments in deposits (having original maturity of more than three months)	450.85	6,896.42
Net cash flows (used in)/generated from investing activities (B)	(4,142.52)	2,598.47
C Cash flows from financing activities		
Repayment of borrowings	(3,554.00)	(12,000.00)
Principal payment of lease liabilities	(2,651.19)	(2,065.22)
Proceeds from exercise of options under MESOS 2015 and RSU 2020 scheme	0.20	18.15
Interest paid on lease liabilities	(883.01)	(794.94)
Interest expenses on borrowings	(275.09)	(653.06)
Net cash flows (used in) financing activities (C)	(7,363.09)	(15,495.07)
Net (decrease) in cash and cash equivalents (A) + (B) + (C)	(600.35)	(78.92)
Cash and cash equivalents at the beginning of the period	2,408.68	2,749.12
Cash and cash equivalents at the end of the period	1,808.33	2,670.20

Note:

The above statement of Cash flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.



Limited Review Report on unaudited consolidated financial results of Metropolis Healthcare Limited for the quarter ended 30 September 2023 and year to date results for the period from 01 April 2023 to 30 September 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Metropolis Healthcare Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Metropolis Healthcare Limited (hereinafter referred to as "the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 September 2023 and year to date results for the period from 01 April 2023 to 30 September 2023 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I to the Statement.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The Statement includes the interim financial information of 7 (seven) subsidiaries which have not been reviewed, whose interim financial information reflects total assets (before consolidation adjustments) of Rs. 8,357.55 lakhs as at 30 September 2023 and total revenues (before consolidation adjustments) of Rs. 2,040.69 lakhs and Rs. 4,009.12 lakhs, total net profit after tax (before consolidation adjustments) of Rs. 232.64 lakhs and Rs. 455.06 lakhs and total comprehensive loss (before consolidation adjustments) of Rs. 92.78 lakhs and Rs. 33.79 lakhs, for the quarter ended 30 September 2023 and for the period from 01 April 2023 to 30 September 2023 respectively, and cash outflows (net) (before consolidation adjustments) of Rs 364.72 lakhs for the period from 01 April 2023 to 30 September 2023, as considered in the Statement. According to the information and explanations given to us by the Parent's management, these interim financial information are not material to the Group.

B S R & Co. LLP

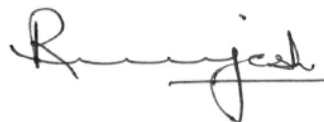
Limited Review Report (Continued)
Metropolis Healthcare Limited

Our conclusion is not modified in respect of this matter.

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

Chartered Accountants

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



Rajesh Mehra

Partner

Mumbai

04 November 2023

Membership No.: 103145

UDIN:23103145BGXWYY4296

Limited Review Report (Continued)
Metropolis Healthcare Limited

Annexure I

List of entities included in unaudited consolidated financial results.

Sr. No	Name of component	Relationship
1	Metropolis Healthcare Limited	Parent
2	Ekopath Metropolis Lab Services Private Limited	Subsidiary
3	Amins Pathology Laboratory Private Limited	Wholly owned subsidiary
4	Metropolis Histoxpert Digital Services Private Limited	Wholly owned subsidiary
5	Centralab Healthcare Services Private Limited	Wholly owned subsidiary
6	Metropolis Healthcare (Mauritius) Limited	Wholly owned subsidiary
7	Metropolis Star Lab Kenya Limited	Wholly owned subsidiary
8	Metropolis Healthcare Ghana Limited	Wholly owned subsidiary
9	Metropolis Bramser Lab Services (Mtius) Limited	Wholly owned subsidiary
10	Metropolis Healthcare (Tanzania) Limited	Wholly owned subsidiary
11	Metropolis Healthcare Lanka Private Limited	Wholly owned subsidiary
12	Metropolis Healthcare Uganda Limited	Wholly owned subsidiary





Metropolis Healthcare Limited
Registered and Corporate Office: 250 D, Udyog Bhavan, Hind Cycle Marg, Worli, Mumbai - 400030
CIN: L73100MH2000PLC192798
Tel. No.: 022 6258 2810
Email: support@metropolisindia.com
Website: www.metropolisindia.com

Global Reference Lab - 4th Floor Commercial Bldg. - 1A, Kohinoor Mall, Vidyavihar (West), Mumbai - 400070

Statement of Consolidated Financial Results for the quarter and six month ended 30 September 2023

Sr. No.	Particulars	Quarter ended			Six Months ended		(Rs. in Lakhs)
		30 September 2023 (Unaudited)	30 June 2023 (Unaudited)	30 September 2022 (Unaudited)	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)	31 March 2023 (Audited)
1	Income						
	a) Revenue from operations	30,850.06	27,709.11	30,034.93	58,559.17	58,020.79	1,14,821.02
	b) Other income	121.90	305.25	433.51	427.15	737.40	1,522.46
	Total Income	30,971.96	28,014.36	30,468.44	58,986.32	58,758.19	1,16,343.48
2	Expenses						
	a) Cost of material consumed	6,126.59	5,695.94	6,840.72	11,822.53	12,986.09	25,326.40
	b) Laboratory testing charges	280.99	242.04	160.27	523.03	434.24	657.09
	c) Employee benefits expense	6,975.43	6,505.83	6,163.55	13,481.26	12,384.66	25,273.41
	d) Finance costs	567.84	598.06	698.85	1,165.90	1,451.70	2,680.15
	e) Depreciation and amortisation expense	2,223.94	2,082.05	2,158.01	4,305.99	4,275.33	8,921.56
	f) Other expenses	9,985.97	8,971.44	8,967.39	18,957.41	17,463.65	34,734.53
	Total Expenses	26,160.76	24,095.36	24,988.79	50,256.12	48,995.67	97,593.14
3	Profit before tax (1) - (2)	4,811.20	3,919.00	5,479.65	8,730.20	9,762.52	18,750.34
4	Tax expenses						
	Current tax	1,433.18	1,107.95	1,548.47	2,541.13	2,709.29	5,127.43
	Deferred tax expense/(income)	(188.05)	(109.24)	(120.28)	(297.29)	(309.94)	(458.09)
	Tax adjustments for earlier years	0.07	22.24	3.83	22.31	(40.87)	(258.40)
	Total tax expenses	1,245.20	1,020.95	1,432.02	2,266.15	2,358.48	4,410.94
5	Profit for the period / year (3) - (4)	3,566.00	2,898.05	4,047.63	6,464.05	7,404.04	14,339.40
6	Other comprehensive income						
	Items that will not be reclassified subsequently to profit and loss (net of tax)	(106.39)	(40.93)	(98.83)	(147.32)	(119.21)	(164.58)
	Items that will be subsequently reclassified to profit and loss (net of tax)	(300.36)	(188.49)	(11.82)	(488.85)	6.31	129.74
	Other comprehensive income for the period /year (net of tax)	(406.75)	(229.42)	(110.65)	(636.17)	(112.90)	(34.84)
7	Total comprehensive income (5) + (6)	3,159.25	2,668.63	3,936.98	5,827.88	7,291.14	14,304.56
8	Profit attributable to:						
	Owners of the Company	3,545.49	2,879.60	4,033.13	6,425.09	7,372.87	14,288.26
	Non-controlling interest	20.51	18.45	14.50	38.96	31.17	51.14
9	Other comprehensive income attributable to:						
	Owners of the Company	(406.41)	(229.62)	(110.37)	(636.03)	(112.62)	(34.70)
	Non-controlling interest	(0.34)	0.20	(0.28)	(0.14)	(0.28)	(0.14)
10	Total comprehensive income attributable to:						
	Owners of the Company	3,139.08	2,649.98	3,922.77	5,789.06	7,260.26	14,253.56
	Non-controlling interest	20.17	18.65	14.21	38.82	30.88	51.00
11	Paid-up equity share capital (face value - Rs. 2 per share)	1,024.41	1,024.21	1,024.00	1,024.41	1,024.00	1,024.21
12	Other equity (including Non-controlling interest)						
13	Earnings per share (Face value of Rs.2 each) basic- (Rs.)*	6.92	5.62	7.88	12.55	14.40	27.91
	Earnings per share (Face value of Rs.2 each) diluted - (Rs.)*	6.90	5.61	7.85	12.50	14.35	27.81

(*not annualised for the quarters)

See accompanying note to the unaudited consolidated financial results



NOTES:

- 1 Metropolis Healthcare Limited (the 'Company' or the 'Parent') and its subsidiaries (referred collectively as the 'Group') are primarily involved in providing pathology and related healthcare services.
- 2 The consolidated financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India.
- 3 The consolidated financial results of the Group have been reviewed by the Audit Committee at their meeting held on 04 November 2023 and thereafter approved by the Board of Directors at their meeting held on 04 November 2023. The statutory auditors have issued unmodified review report on the above consolidated financial results.
- 4 Disclosure of segment-wise information is not applicable, as pathology services is the Group's only business segment.
- 5 The Board of Directors of the Company, at their meeting held on 11 February 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 01 April 2022 and the members of Hitech in their Extra Ordinary General meeting held on 01 April 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 04 June 2022.
- 6 On 02 August 2023, the Board of Directors of the Company approved grant of 75,666 Restricted Stock Units (RSU) on the recommendation of the Nomination and Remuneration Committee, pursuant to the Metropolis - Restrictive Stock Unit Plan - 2020 to eligible employees of the Company. This is in addition to the RSU's approved under Restrictive Stock Unit Plan - 2020 to eligible employees of the Company / subsidiaries in the previous quarters.
- 7 On 16 November 2022, the Income Tax department conducted searches at the premises of the Company and some of its subsidiaries. No assets of the Company or its subsidiaries were seized during this process. The Company has been providing from time to time the information and clarifications sought by the Income Tax authorities. Subsequently, including during the current quarter, the Company and some of its subsidiaries have received notices under sections 142(1), 143(2), 147 and 148 of the Income Tax Act, 1961, that provide for the reopening of past assessment proceedings. Presently, there is no demand, and accordingly, no adjustments have been made in the financial results.
- 8 The Board of Directors of the Company have approved interim dividend of Rs. 4 per equity shares (face value of Rs. 2 each) at the meeting held on 04 November 2023.
- 9 Other expenses for the quarter and six months period ended 30 September 2023 includes Rs 334.19 lakhs on account of provision for doubtful debtors as an outcome of investigation relating to a whistle blower complaint.
- 10 The Board of Directors of the Company has accorded their approval for entering into a Settlement agreement with the equity shareholder(s) of Star Metropolis Health Services Middle East LLC - Dubai, associate of the Company ('the Associate') inter-alia to enable liquidation of the Associate as per the applicable laws.
- 11 On review of the pattern of consumption of the future economic benefits embodied in the assets, it was noted that there has been change in expected pattern of consumption of these benefits. Accordingly, with effect from 01 April 2023, the Group has changed its depreciation/amortization method to Straight Line method from Written down value method for various class of assets to reflect this change. Such a change has been accounted for as a change in an accounting estimate in accordance with Ind AS 8 "Accounting Policies, Change in Accounting Estimates and Errors". Had the Group continued the previous Written Down Value Method for charging depreciation on all class of assets, charge for depreciation/amortisation for the quarter and six months period ended 30 September 2023 and for future period would have been higher by Rs. 295.29 lakhs, Rs. 568.55 lakhs and Rs. 714.45 lakhs respectively and consequentially deferred tax charge on the same for the quarter and six months period ended 30 September 2023 and for future period would have been lower by Rs. 74.32 lakhs, Rs. 143.10 lakhs and Rs. 179.83 lakhs respectively.
- 12 The results of the Group are available for investors at www.metropolisindia.com, www.nscindia.com and www.bscindia.com.

For Metropolis Healthcare Limited

Ameera Shah
Managing Director
DIN: 00208095
Place: Mumbai
Date: 04 November 2023



Metropolis Healthcare Limited
Consolidated Balance Sheet as at 30 September 2023

(Rs. in Lakhs)

Particulars	As at 30 September 2023 (Unaudited)	As at 31 March 2023 (Audited)
I. ASSETS		
Non-current assets		
Property, plant and equipment	14,502.30	13,724.60
Right-of-use Assets	17,162.06	17,339.93
Goodwill	45,468.37	45,468.37
Other intangible assets	35,142.12	35,533.84
Intangible assets under development	2,552.73	1,951.18
Financial assets		
i) Investments	175.28	175.28
ii) Other financial assets	1,998.33	1,663.78
Non-current tax assets (net)	2,858.73	3,286.77
Deferred tax assets (net)	727.30	689.65
Other non-current assets	55.07	54.06
Total Non-current assets	1,20,642.29	1,19,887.46
Current assets		
Inventories	4,358.06	4,459.13
Financial assets		
i) Investments	3,610.62	1,306.14
ii) Trade receivables	12,290.19	12,188.76
iii) Cash and cash equivalents	5,093.03	6,883.32
iv) Bank balance other than cash and cash equivalents	2,042.06	2,436.14
v) Other financial assets	791.22	1,405.60
Other current assets	2,086.26	1,594.35
Total Current assets	30,271.44	30,273.44
TOTAL ASSETS	1,50,913.73	1,50,160.90
II. EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,024.41	1,024.21
Other equity	1,03,625.56	97,799.02
Equity attributable to equity holders of the Company	1,04,649.97	98,823.23
Non-controlling Interests	286.68	247.85
Total Equity	1,04,936.65	99,071.08
Non-current liabilities		
Financial liabilities		
i) Borrowings	-	2,861.42
ii) Lease liabilities	11,921.33	12,550.13
iii) Other financial liabilities	-	54.95
Provisions	1,466.21	1,302.02
Deferred tax liabilities (net)	7,547.85	7,824.21
Total Non-current liabilities	20,935.39	24,592.73
Current Liabilities		
Financial Liabilities		
i) Borrowings	4,403.49	5,043.81
ii) Lease liabilities	6,787.57	6,183.09
iii) Trade payables		
- Total outstanding due to micro enterprises and small enterprises	218.44	184.26
- Total outstanding dues of creditors other than micro enterprises and small enterprises	7,900.36	9,223.93
iv) Other financial liabilities	1,335.02	2,012.29
Other current liabilities	2,430.48	1,956.35
Provisions	1,143.92	958.66
Current tax liabilities (net)	822.41	934.70
Total Current liabilities	25,041.69	26,497.09
Total Liabilities	45,977.08	51,089.82
TOTAL EQUITY AND LIABILITIES	1,50,913.73	1,50,160.90



(Rs. in Lakhs)

Particulars	Six months ended	
	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)
A Cash flows from operating activities		
Profit before tax	8,730.20	9,762.52
Adjustments for :		
Depreciation and amortisation expense	4,305.99	4,275.33
(Profit)/Loss on sale of property plant and equipments (net)	(0.04)	2.88
Sundry balances written back	(0.83)	(0.08)
Provision for bad and doubtful debts (net)	519.89	98.19
Provision for bad and doubtful advances (net)	69.77	-
Unrealised foreign exchange loss / (gain) (net)	63.66	(75.26)
Share based payments expenses/(reversals)	23.41	(234.68)
Bad debts written off	10.03	-
Interest income	(112.61)	(230.00)
Interest income on income tax refund	-	(3.48)
Changes in fair value of current investments	(31.73)	(19.21)
Interest expenses on borrowings	264.84	599.78
Interest on deferred purchase consideration	3.92	5.87
Interest on lease liabilities	897.14	846.06
Operating profit before working capital changes	14,743.64	15,027.92
Working capital adjustments:		
Decrease in loans	-	(25.65)
Decrease in inventories	101.07	1,261.60
(Increase)/Decrease in trade receivables	(631.35)	1,030.89
(Increase) in other assets (Current and non current)	(491.69)	(363.47)
Decrease in other financial assets (Current and non current)	424.30	463.81
Increase in provisions	152.58	94.56
(Decrease) in trade payables	(1,338.10)	(105.65)
(Decrease) in other financial liabilities	(360.34)	(73.12)
Increase/(Decrease) in other liabilities	474.13	(314.76)
Cash flows generated from operating activities	13,074.24	16,996.13
Income taxes (paid) (net)	(2,214.86)	(3,257.75)
Net cash flows generated from operating activities (A)	10,859.38	13,738.38
B Cash flows from investing activities		
Purchase of property, plant and equipment and capital work-in-progress	(2,821.27)	(3,437.81)
Proceeds from sale of property, plant and equipment	14.19	-
Deferred purchase consideration paid	(18.75)	-
Purchase of current investments	(15,755.00)	(1,282.59)
Proceeds from sale of current investments	13,482.25	-
Interest received	64.74	275.17
Net investments in deposits (having original maturity of more than three months)	227.71	6,657.06
Net cash flows (used in)/generated from investing activities (B)	(4,806.13)	2,211.83
C Cash flows from financing activities		
Procces from issue of share to ESOP holders	0.21	18.14
Repayment of borrowings	(3,501.74)	(12,000.00)
Principal payment of lease liabilities	(2,714.77)	(2,121.42)
Interest paid on lease liabilities	(897.14)	(802.63)
Interest paid on borrowings	(241.25)	(639.34)
Net cash flows (used in) financing activities (C)	(7,354.69)	(15,545.25)
Net (Decrease)/Increase in cash and cash equivalents (A) + (B) + (C)	(1,301.44)	404.96
Effect of exchange rate changes on cash and cash equivalents	(488.85)	6.31
Net (Decrease)/Increase in cash and cash equivalents	(1,790.29)	411.27
Cash and cash equivalents at the beginning of the period	6,883.32	6,598.04
Cash and cash equivalents at the end of the period	5,093.03	7,009.31

Note:

The above statement of Cash flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.



ANNEXURE 2

DETAILS WITH RESPECT TO DISPOSAL AS REQUIRED UNDER SEBI CIRCULAR SEBI/ HO/CFD/CFD-POD-1/P/CIR/2023/123 DATED JULY 13, 2023.

Sr. No.	Particulars	
1.	Name of the Entity: Star Health Services Middle East LLC – Dubai	
2.	The amount and percentage of the turnover or revenue or income and net worth contributed by the associate company of the listed entity during the last financial year	Nil No information has been provided by the entity for the past several years.
3.	Date on which the agreement for sale has been entered into	The Board of Directors in their meeting held today, have approved to enter into such agreement, which will be executed in near future.
4.	The expected date of completion of sale/disposal	Approx. 6 months
5.	Consideration received from such sale/disposal	Nil
6.	Brief details of buyers and whether any of the buyers belong to the promoter/promoter group/group companies. If yes, details thereof	The disposal is due to settlement agreement to liquidate the entity, hence there are no buyers.
7.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"	No. The transaction is not a related party transaction
8.	Whether the sale, lease or disposal of the undertaking is outside Scheme of Arrangement? If yes, details of the same including compliance with regulation 37A of LODR Regulations	Not applicable
9.	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale.	Not applicable

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METROPOLIS
The Pathology Specialist

Metropolis Healthcare Limited

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CIN: L73100MH2000PLC192798 Tel No.: 8422 801 801 Email: support@metropolisindia.com

Website: www.metropolisindia.com

Global Reference Laboratory: 4th Floor, Commercial Building-1A, Kohinoor Mall, Vidyavihar (W), Mumbai - 400 070.

ANNEXURE 3

DETAILS OF FRAUD BY THE EMPLOYEES AS REQUIRED UNDER SEBI CIRCULAR SEBI/ HO/CFD/CFD-POD-1/P/CIR/2023/123 DATED JULY 13, 2023.

The Company hereby notifies that it had received a Whistle Blower Complaint from an employee regarding accounting adjustments in the debtors account in FY 2022-23 and current financial year. Upon receipt of the Complaint the matter was referred to an expert third-party auditor as per the Whistle Blower Policy. The Auditors submitted their report to the Audit Committee on 04-Nov-23.

As per the report, the Audit Committee noted that few employees were found to have indulged into passing accounting entries which involved an amount of Rs.9.28 Cr, wherein 7.18 Cr has been adjusted between debit and credit entries in the debtor account and entries of Rs 2.10 Cr were passed in TDS recoverable account. The entries passed in debtor and creditor accounts largely nullified each other and therefore the entries do not have any material impact on the accounts of the Company. A onetime provision for doubtful debt entry of Rs 3.34 Cr is provided for in Q2'23-24 to ensure full impact for the audit is taken. Audits have been done across the group level post the complaint, but the issue has been found only in select region of India and therefore, we believe this is not an institutional issue.

This incident is a deviation from the standard accounting policies and internal controls / processes defined by the company and our culture of no shortcuts. The Company has worked very hard to build strong processes and systems, and we are disappointed with the employee's actions to breach these. The irregularities do not involve any misappropriation of funds and therefore no amount is required to be recovered from the employees except additional performance incentive paid, since the process deviation was done by few employees to boost their performance. The motivation for these employees to go against the processes of the Company was to show better individual performance and meet their performance target.

The Company has taken appropriate action against the errant employees including separation with immediate effect.

We are proud of our strong whistle blowing culture because of which these facts have come to light. We will continue to strengthen controls and audits and our culture of integrity and good governance.

BLOOD TESTS • DIAGNOSTICS • WELLNESS

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