Metropolis Healthcare (Mauritius) Ltd

Balance sheet as at 30 Jun 2022

(Currency : Indian Rupees in lakhs)

Particulars	Note No.	As at 30-Jun-22	As at 31-Mar-22
I. ASSETS			
Non-current assets			
Property, Plant and Equipment	3	193.6	181.7
Investment in subsidiary	4	365.5	346.1
Non-current tax assets	5	25.6	40.0
Total non current assets		**584.7**	**567.9**
Current Assets			
Inventories	6	48.1	51.2
Financial Assets			
Trade receivables	7	293.0	170.4
Cash and cash equivalents	8	519.6	615.3
Loans	9	383.7	184.8
Other current financial assets	10	81.5	72.9
Other current assets	11	6.9	22.5
Total current assets		**1,332.8**	**1,117.1**
TOTAL ASSETS		**1,917.5**	**1,685.0**
II. EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	125.7	125.7
Other equity	13	(427.4)	(446.5)
Total Equity		**(301.7)**	**(320.8)**
Current liabilities			
Financial liabilities			
Borrowings	14	972.1	935.0
Trade payables	15	803.1	608.8
Other current financial liabilities	16	444.0	454.8
Other current liabilities	17	-	7.2
Total Current liabilities		**2,219.2**	**2,005.8**
TOTAL EQUITY AND LIABILITIES		**1,917.5**	**1,685.0**

For and on behalf of the Board of Directors
Metropolis Heathcare (Mauritius) Ltd

Ameera Shah
Managing Director
DIN: 00208095

Place : Mumbai
Date : ___ Aug 2022

Metropolis Healthcare (Mauritius) Ltd

Statement of profit and loss for the Period ended 30 June 2022

(Currency : Indian Rupees in lakhs)

Particulars	Note No.	For the quarter ended 30-Jun-22	For the quarter ended 30-Jun-21
Income			
Revenue from Operations	18	262.33	153.90
Other income	19	41.08	6.02
Total Income		**303.41**	**159.92**
Expenses			
Cost of materials consumed	20	40.11	36.89
Laboratory testing charges	21	69.35	42.87
Employee Benefits Expenses	22	71.67	47.20
Finance cost	23	14.26	13.64
Depreciation and Amortization Expenses	24	8.86	4.19
Other Expenses	25	43.10	37.36
Total Expenses		**247.34**	**182.15**
Profit before Tax		**56.07**	**(22.23)**
Tax expense:			
1. Current Tax		-	-
2. Deferred Tax expense /(income)		-	-
Total Tax Expenses		**-**	**-**
Profit for the period		**56.07**	**(22.23)**
Other comprehensive income			
Items that will be reclassified subsequently to statement of profit or loss			
Exchange differences in translating financial statements of foreign operations		(36.96)	28.45
		(36.96)	**28.45**
Total comprehensive income for the year		**19.11**	**6.22**

For and on behalf of the Board of Directors
Metropolis Heathcare (Mauritius) Ltd

Ameera Shah
Managing Director
DIN: 00208095

Place : Mumbai
Date : ___ Aug 2022

Metropolis Healthcare (Mauritius) Ltd

Statement of Cash flows for the Period ended 30 June 2022

(Currency : Indian Rupees in lakhs)

	Particulars	For the quarter 30-Jun-22	For the quarter ended 30-Jun-21
A	**Cash Flow from Operating Activities**		
	Net profit before tax	56.1	(22.23)
	Adjustments for :		
	Depreciation and amortisation expense	8.9	4.19
	(Profit)/Loss on sale of asset	-	-
	Effect of exchange difference on translation	411.2	34.09
	Interest income	(9.9)	(6.02)
	Interest expense	14.3	13.64
	Operating profit before working capital changes	480.6	23.67
	Adjustments:		
	Decrease/ (Increase) in inventories	3.1	11.866
	Decrease/ (Increase) in trade receivables	(122.6)	(4.098)
	Decrease/ (Increase) in loans and advances	(198.9)	(2.760)
	Decrease/(Increase) in other financial assets	(8.6)	(5.967)
	Decrease/(Increase) in other current assets	15.7	2.859
	Decrease/(Increase) in current tax assets	14.4	(2.461)
	Increase/ (Decrease) in trade payables	341.4	35.33
	Increase/ (Decrease) in other financial liabilities	15.4	9.149
	Increase/ (Decrease) in other current liabilities	(4.2)	4.160
	Cash generated from operating activities	536.2	71.75
	Taxes paid (net of refund)		
	Net cash generated from operating activities (A)	**536.2**	**71.75**
B	**Cash flows from investing activities**		
	Purchase of property, plant and equipment	(4.0)	(25.33)
	Proceeds from sale of asset	-	0.45
	Interest received	9.9	6.02
	Net cash (used in) / generated from investing activities (B)	**5.8**	**(18.86)**
C	**Cash Flow from Financing Activities**		
	Interest paid	-	-
	Net cash used by Financing activities (C)	-	-
	Net Increase/(decrease) in cash and cash equivalents (A) + (B) + (C)	**541.99**	**52.89**
	Cash and Cash Equivalents at the beginning of the year	615.27	489.99
	Cash and Cash Equivalents at the end of the period	**519.64**	**542.87**

For and on behalf of the Board o
Metropolis Heathcare (Mauritius)

Ameera Shah
Managing Director
DIN: 00208095

Place : Mumbai
Date : ___ Aug 2022

Metropolis Healthcare (Mauritius) Ltd

Statement of Changes in Equity (SOCIE) for the period ended 30 June 2022

(Currency : Indian Rupees in lakhs except number of shares)

(a) Equity share capital	Number of shares	Rs. (in lakhs)
Balance as at 1 April 2020	225,100	125.69
Changes in equity share capital during the year		
Balance as at 31 March 2021	225,100	125.69
Changes in equity share capital during the year		
Balance as at 31 March 2022	225,100	125.69

(b) Other equity

Particulars	Reserves & Surplus	Other comprehensive income	Total other Equity
	Retained earnings	Exchange differences on translation of foreign operations	
Balance at 1 April, 2021	**(663.93)**	**112.15**	**(551.79)**
Profit for the year	200.75		200.75
Exchange differences on translating financial statements of foreign operations		(95.44)	(95.44)
Total comprehensive income	**200.75**	**(95.44)**	**105.31**
Balance as at 31 March 2022	**(463.18)**	**16.71**	**(446.47)**
Balance at 1 April, 2022	(463.18)	16.71	(446.47)
Profit for the year	56.07		56.07
Exchange differences on translating financial statements of foreign operations		(36.96)	(36.96)
Total comprehensive income	**56.07**	**(36.96)**	**19.11**
Balance as at 30 June, 2022	**(407.11)**	**(20.25)**	**(427.36)**

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors
Metropolis Heathcare (Mauritius) Ltd

Ameera Shah
Managing Director
DIN: 00208095

Place : Mumbai
Date : ___ Aug 2022

1 Background of the Company and nature of operation

Metropolis Healthcare (Mauritius) Ltd, the "Company", was incorporated in the Republic of Mauritius on 11 September 2012 under the Mauritius Companies Act 2001 as a private company with liability limited by shares. The Company's registered office is 4th Floor, Hennessy Tower, Pope Hennessy Street, Port Louis, Republic of Mauritius.

The principal activity of the Company is to act as an investment holding company. The Company holds a Category 1 Global Business Licence issued by the Financial Services Commission of Republic of Mauritius.

2 Basis of preparation, Measurement and Significant accounting policies

2.1 Basis of preparation and measurement

(a) Statement of compliance:

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2018 and other relevant provisions of the Act.

The financial statements of the Company for the year ended 31 March 2022 were prepared in accordance with International Financial Reporting Standards and accordance with the Mauritius Companies Act 2001 and audited by the independent firm of Chartered Accountant registered in Mauritius.

The Ind AS financial statements were authorised for issue by the Company's Board of Directors on 23rd May 2022

(b) Current vs non-current classification:

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

Assets:
An asset is classified as current when it satisfies any of the following criteria:
a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is expected to be realised within twelve months after the reporting date; or
d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:
A liability is classified as current when it satisfies any of the following criteria:
a) it is expected to be settled in the Company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is due to be settled within twelve months after the reporting date; or
d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current vs non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013 ('Act'). Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalent, the company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

(c) Basis of measurement

These financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:
• Certain financial assets and liabilities measured at fair value
• Net defined benefit (asset) / liability - Fair value of plan assets less present value of defined benefit obligations

(d) Key estimates and assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The areas involving critical estimates or judgements are :
i. Determination of useful lives of property, plant and equipment and intangibles; (Note 2.2(a))
ii. Impairment test of non-financial assets (Note 2.2(b))
iii. Recognition of deferred tax assets; (Note 2.2(k))
iv. Recognition and measurement of provisions and contingencies; (Note 2.2(f))
v. Fair value of financial instruments (Note 2.2(c))
vi. Impairment of financial assets (Note 2.2(c))

(e) Measurement of fair values

The Company’s accounting policies and disclosures require financial instruments to be measured at fair values.

The Company has an established control framework with respect to the measurement of fair values. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(f) Ind AS 116- Leases:

Ministry of Corporate Affairs ('MCA') has notified Ind AS 116 'Leases' which is effective from 1 April, 2019.
Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.The Company is currently evaluating the effect of this accounting standard.

2.2 Significant Accounting Policies

a) Property plant and equipments

Recognition and measurement
Items of property, plant and equipment, are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognized.

Subsequent expenditure
Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Depreciation
Depreciation is provided, under the Reducing Balance Method, pro rata to the period of use, based on useful lives estimated by the management. The following are the useful life over which property, plant and equipments are depreciated:
• IT Equipments - 3 years.
• Motor Vehicles - 5 years.
• Furniture and fixtures -6 years
• Machinery and equipments - 6 years
• •Leasehold Improvement- 5 years
Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

b) Impairment of non-financial assets

An impairment loss is recognized whenever the carrying value of an asset or a cash-generating unit exceeds its recoverable amount. Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. An impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which the impairment takes place. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit.

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events and changes in circumstances indicate the carrying amount may not be recoverable.

c) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, futures and currency options.

1. Financial assets

Initial recognition and measurement

Financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

• Amortized cost,

• Fair value through profit (FVTPL)

Amortized cost :

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

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

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

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

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company’s balance sheet) when:

The contractual rights to receive cash flows from the financial asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either

- (a) the Company has transferred substantially all the risks and rewards of the asset, or

- (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all equity instruments (measured at FVTPL). are recognized in the Statement of Profit and Loss.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (“ECL”) model for measurement and recognition of impairment loss on the financial assets measured at amortized cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the ‘simplified approach’ at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

2. Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

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

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

Financial Liabilities at amortized cost:

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

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

Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

d) Inventories

Inventories are valued at lower of cost and net realizable value. Cost comprises the cost of purchase and all other costs attributed to bring the goods to that particular condition and location.Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

e) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet and cash flow statement includes cash at bank and on hand, deposits held at call with banks, with original maturities less than three months which are readily convertible into cash and which are subject to insignificant risk of changes in value.

f) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.
If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognized as finance cost.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognized till the realization of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is probable.

g) Revenue Recognition

Revenue comprise of revenue from providing healthcare services such as health check up and laboratory services.
Revenue is recognised once the testing samples are processed for requisitioned test, to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.
Revenue is measured at the fair value of the consideration received or receivable, taking into account the amount of any discounts allowed by the entity.

h) Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options); expected credit losses are considered if the credit risk on that financial instrument has increased significantly since initial recognition

Dividend income

Dividends are recognized in statement of profit and loss on the date on which the Company’s right to receive payment is established.

i) Employee Benefits

Short-term Employee benefits
Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided.

A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The company contributes to the National Pension Fund & National Savings Fund, a statutory defined contribution scheme. The company's obligation under the scheme are limited to specific contributions as legislated from time to time. The company's contribution are charged to the statement of comprehensive income in the year to which they relate.

j) Leases:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in the arrangement.

Operating lease:
Leases of assets under which significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments /receipts under operating leases are recognized as an expense / income on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

k) **Income-tax**

Income tax expense /income comprises current tax expense income and deferred tax expense income. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in OCI. In which case, the tax is also recognized directly in equity or other comprehensive income, respectively.

Current Tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured using tax rates enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretations and establishes provisions where appropriate.

• Current tax assets and liabilities are offset only if, the Company has a legally enforceable right to set off the recognized amounts; and

• intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

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

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

iii) deferred tax asset / liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognized. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognized.

l) **Foreign currency transactions**

Functional and Presentation currency

The Company's financial statements are prepared in Indian Rupees (INR) which is the presentation currency. Company's functional currency is US Dollors (USD).

Transactions and balances

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined.

Exchange differences arising on the settlement or translation of monetary items are recognized in profit or loss in the year in which they arise except for the qualifying cash flow hedge, which are recognized in OCI to the extent that the hedges are effective

m) Dividend

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

n) Earnings per share:

Basic Earnings per share is calculated by dividing the profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

• The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

• Weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

o) Segment Reporting

The Company is considered to be a single segment company – engaged in Pathology service. Consequently, the Company has, in its primary segment, only one reportable business segment. Further the geographic segments are not applicable since assets are only in India.

Metropolis Healthcare (Mauritius) Ltd

Notes to the financial statements for the Period ended 30 June 2022
(Currency : Indian Rupees in lakhs)

Note 3
Property, Plant and Equipment
Changes in the carrying value of property, plant and equipment for the period ended 30 Jun 2022:

DESCRIPTION	Furniture and fixtures	Motor Vehicle	Laboratory equipment	IT Equipment	Office Equipment	Leasehold Improvements	Total
Cost as at 1 April 2022	20.42	13.64	200.07	13.17	15.48	24.50	287.27
Additions	1.36	-	2.40	2.04	4.39	0.83	11.03
Deletions during the year	-	-	-	-	-	-	-
Translation reserve	0.81	0.54	7.95	0.52	0.61	0.97	11.41
Cost as at 30 June 2022 (A)	22.59	14.18	210.42	15.73	20.49	26.30	**309.71**
Accumulated depreciation as at 1 April 2021	11.58	10.53	63.32	8.97	4.50	6.61	105.52
Depreciation for the year	0.41	0.20	7.03	0.53	0.44	0.24	8.86
Deletion on disposal of assets	-	-	-	-	-	-	-
Translation reserve	0.19	0.17	1.04	0.15	0.07	0.11	1.73
Accumulated depreciation as at 31 March 2022 (B)	12.18	10.91	71.39	9.65	5.02	6.96	**116.12**
Net carrying amount as at 31 March 2022 (A) - (B)	**10.41**	**3.27**	**139.03**	**6.08**	**15.47**	**19.34**	**193.58**
Net carrying amount as at 31 March 2021	8.84	3.11	136.75	4.19	10.97	17.88	181.75

DESCRIPTION	Furniture and fixtures	Motor Vehicle	Laboratory equipment	IT Equipment	Office Equipment	Leasehold Improvements	Total
Cost as at 1 April 2021	17.31	13.88	85.51	9.51	11.07	23.73	161.02
Additions	2.55	-	111.79	3.74	4.05	-	122.12
Deletions during the year	-	(0.69)	-	(0.39)	-	-	(1.08)
Translation reserve	0.56	0.45	2.77	0.31	0.36	0.77	5.21
Cost as at 31 March 2022 (A)	20.42	13.64	200.07	13.17	15.48	24.50	**287.27**
Accumulated depreciation as at 1 April 2021	9.71	9.50	40.42	7.22	3.03	5.49	75.37
Depreciation for the year	1.53	1.15	21.22	1.54	1.35	0.92	27.72
Deletion on disposal of assets	-	(0.44)	-	(0.05)	-	-	(0.49)
Translation reserve	0.34	0.33	1.68	0.26	0.12	0.19	2.93
Accumulated depreciation as at 31 March 2022 (B)	11.58	10.53	63.32	8.97	4.50	6.61	**105.53**
Net carrying amount as at 31 March 2022 (A) - (B)	**8.84**	**3.11**	**136.75**	**4.19**	**10.97**	**17.88**	**181.74**
Net carrying amount as at 31 March 2021	7.60	4.38	45.10	2.29	8.04	18.23	85.65

Metropolis Healthcare (Mauritius) Ltd
Notes to the financial statements for the Period ended 30 June 2022

(Currency : Indian Rupees in lakhs)

Particulars	30-Jun-22	31-Mar-22
Note 3		
Property, Plant and Equipment	**193.58**	**181.74**
Note 4		
Investment in Subsidiaries*		
Unquoted		
Investment in equity shares (unquoted and stated at cost)		
Subsidiaries		
(i) Metropolis Star Lab Kenya Ltd	155.15	149.22
999 Ordinary Shares of Kenyan Shillings 1000 each		
(ii) Metropolis Bramser Lab Services (Mtius) Ltd.	3.74	3.59
1000 Ordinary Shares of MUR 10 each		
(iii) Metropolis Healthcare Ghana Ltd	43.36	41.70
789714 Ordinary Shares of GHS 1 each		
(iv) Metropolis Healthcare Tanzania Ltd	157.66	151.63
23000 Ordinary Shares of TZS 20000 each		
(v) Metropolis Healthcare Uganda Ltd	5.65	
23000 Ordinary Shares of TZS 20000 each		
	365.53	**346.14**
Note 5		
Non-current tax assets		
Advance taxes (net of provision for taxes)	1.88	1.92
Withholding tax receivable	23.72	38.05
	25.60	**39.97**
Note 6		
Inventories		
(valued at lower of cost and net realisable value)		
Raw materials	48.07	51.20
	48.07	**51.20**
Note 7		
Trade receivables		
Secured, considered good		
From others	292.99	170.42
Considered Doubtful	11.45	11.01
	304.44	181.43
Less: Provision for doubtful debts	(11.45)	(11.01)
	292.99	**170.42**

Metropolis Healthcare (Mauritius) Ltd

Notes to the financial statements for the Period ended 30 June 2022

(Currency : Indian Rupees in lakhs)

Particulars	30-Jun-22	31-Mar-22
Note 8		
Cash and cash equivalents		
Cash on hand	1.57	1.45
Balances with banks		
- in current accounts	518.06	613.82
	519.64	**615.27**
Note 9		
Current Loans		
(Unsecured, considered good)		
Loans to related parties	383.73	184.84
	383.73	**184.84**
Note 10		
Other current financial assets		
Security deposits	0.92	0.88
Interest accrued but not due		
- From Interest Receivable from Related Parties		
Metropolis Healthcare Lab Ghana Ltd	80.62	72.01
	81.54	**72.89**
Note 11		
Other current assets		
(Unsecured, considered good)		
Prepaid Expenses	6.86	22.31
Employee advance	-	0.21
	6.86	**22.52**
Note 12		
Share capital		
Equity share capital	125.69	125.69
	125.69	**125.69**
Note 13		
Other equity		
Retained Earnings	(407.11)	(463.18)
Other comprehensive Income- Foreign currency translation reserve	(20.26)	16.70
	(427.37)	**(446.48)**

Metropolis Healthcare (Mauritius) Ltd

Notes to the financial statements for the Period ended 30 June 2022

(Currency : Indian Rupees in lakhs)

Particulars	30-Jun-22	31-Mar-22
Retained Earnings		
Opening Balance	(463.18)	(663.93)
Add: Transferred from the statement of profit and loss	56.07	200.75
Closing Balance	**(407.11)**	**(463.18)**
Other comprehensive income- Foreign Currency Translation Reserve		
Opening Balance	16.70	112.14
Movement during the year	(36.96)	(95.44)
Closing Balance	**(20.26)**	**16.70**

Nature and Purpose of reserves

Retained Earnings

Retained earnings represents surplus / accumulated earnings of the company and are available for distribution to the shareholders.

Foreign Currency Translation Reserve

The foreign currency differences arising on converting the financial statements of the Company from its functional currency (USD) into its presentation currency (INR), are recorded in this reserve.

Note 14		
Borrowings		
Unsecured Loan from related party	972.15	935.01
	972.15	**935.01**

The above loan is received from Metropolis Healthcare Limited (Holding Company) and carries a fixed rate of interest of 6% p.a. The loan is payable on demand.

Note 15		
Trade payables		
Due to related parties	698.19	579.74
Total outstanding due of micro and small enterprises		
Total outstanding due of creditors other than micro and small enterprises		
Dues to others	104.89	29.04
Total outstanding due of micro and small enterprises		
Total outstanding due of creditors other than micro and small enterprises		
	803.08	**608.78**

Note 16		
Other current financial liabilities		
Interest payable to related parties	438.77	407.99
Creditors for expenses	5.22	46.82
	443.99	**454.81**

Note 17		
Other current liabilities		
Statutory dues*	-	7.18
	-	**7.18**

* Statutory Dues payable include contribution to National Pension Scheme Authority (NAPSA) etc.

Metropolis Healthcare (Mauritius) Ltd

Notes to the financial statements for the Period ended 30 June 2022

(Currency : Indian Rupees in lakhs)

Particulars	For the Period ended 30-Jun-22	For the quarter ended 30-Jun-21
Note 18		
Revenue from Operations		
Sale of services	262.33	153.90
	262.33	**153.90**
Note 19		
Other income		
Interest income under effective interest method on:		
- from related parties	5.66	5.38
Profit on sale of fixed assets (net)	-	-
Other income	4.19	0.64
Foreign exchange gain	31.24	
	41.08	**6.02**
Note 20		
Cost of materials consumed		
Opening stock	51.20	57.64
Add: Purchases	36.98	25.02
	88.18	82.66
Less: Closing stock	48.07	45.77
	40.11	**36.89**
Note 21		
Laboratory testing charges		
Laboratory testing charges	69.35	42.87
	69.35	**42.87**
Note 22		
Employee Benefits Expenses		
Salaries, wages and bonus	71.48	46.65
Staff welfare	0.19	0.55
	71.67	**47.20**
Note 23		
Finance cost		
Interest payable to related parties	14.26	13.64
	14.26	**13.64**
Note 24		
Depreciation		
Depreciation of property, plant and equipment (Refer Note 3)	8.86	4.19
	8.86	**4.19**

Metropolis Healthcare (Mauritius) Ltd

Notes to the financial statements for the Period ended 30 June 2022

(Currency : Indian Rupees in lakhs)

Particulars	For the Period ended 30-Jun-22	For the quarter ended 30-Jun-21
Note 25		
Other Expenses		
Rent	9.22	5.80
Power, fuel ,electricity	3.23	1.24
Legal, professional and consultancy fees	1.97	0.49
Repairs and maintenance	2.63	1.62
Insurance	0.30	0.18
Payments to auditors	0.85	0.67
Business promotional expenses	4.27	1.92
Postage and communication expenses	2.03	1.27
Travelling expenses	6.94	1.38
Printing and stationery	1.30	0.65
Security charges	0.73	0.51
Loss on sale of Property Plant and Equipments	-	0.01
Water charges	0.19	0.14
Office expenses	0.89	0.20
Cleaning & Sanitation	0.99	0.49
Miscellaneous expenses	-	0.08
Provision for Bad debts	-	1.54
Licenses	1.83	0.70
Exchange fluctuation loss (realised)	-	0.87
Exchange fluctuation loss (Unrealised)	-	16.66
Import Charges	4.50	0.16
Vehicle expenses	0.38	0.19
Bank charges	0.85	0.58
	43.10	**37.36**

Metropolis Healthcare (Mauritius) Ltd

Notes to the financial statements for the Period ended 30 June 2022
(Currency : Indian Rupees in lakhs)

Note 27
Related parties
a) Names of related parties

Name of the related party	Relationship
Metropolis Healthcare Limited	Ultimate Holding company
Metropolis Star Lab Kenya Ltd	Subsidiary
Metropolis Bramser Lab Services (Mtius) Ltd	Subsidiary
Metropolis Healthcare Ghana Ltd	Subsidiary
Metropolis Healthcare Tanzania Ltd	Subsidiary
Metropolis Healthcare (Uganda) Limited	Subsidiary

Key Managerial Personnel	
Ameera Shah	Director

b) Transactions with related parties

Particulars	Subsidiary of Metropolis Healthcare (Mauritius) Limited	Ultimate Holding company Metropolis Healthcare Limited
Interest expense		
Metropolis Healthcare Limited		**14.26**
		(55.16)
Interest Income		
Metropolis Healthcare Lab Ghana Ltd	**5.66**	
	(21.79)	
Outsource test		**208.69**
		(118.71)

(Figures in brackets represents previous year numbers)

c) *Key Managerial Personnel compensation*

Particulars	***30-Jun-22***	***31-Mar-22***
Short-term employee benefits	-	-
Post-employee benefits	-	-
Others	-	-

d) Balances with related parties

Particulars	Subsidiary of Metropolis Healthcare (Mauritius) Limited	Holding company Metropolis Healthcare Limited
Loans and advances		
Metropolis Healthcare Lab Ghana Ltd	**192.18**	
As on 31.03.22	(184.84)	
Metropolis Healthcare (Uganda) Ltd	**191.55**	
As on 31.03.22	-	
Interest Receivables		
Metropolis Healthcare Lab Ghana Ltd	**80.62**	
As on 31.03.21	(72.01)	
Loan payable		**972.15**
As on 31.03.21		(935.01)
Interest Payable		**438.77**
As on 31.03.21		(407.99)
Trade payables		**698.19**
As on 31.03.21		(579.74)

(Figures in brackets represents previous year numbers)