

Metropolis Healthcare Limited

Issue Snapshot:

Issue Open: Apr 03 – Apr 05, 2019

Price Band: Rs. 877 – 880

Issue Size: 13,685,095 (Entirely offer for sale)

Offer Size: Rs.1200.18 crs – 1204.29 crs

QIB atleast 10,038,822 eq sh
 Non Institutional upto 2,007,764 eq sh
 Retail upto 1,338,509 eq sh
 Employee upto 300,000 eq sh

Face Value: Rs 2

Book value: Rs 93.27 (Dec 31, 2018)

Bid size: - 17 equity shares and in multiples thereof

100% Book built Issue

Capital Structure:

Pre Issue Equity: Rs. 10.04 cr
 Post issue Equity: Rs. 10.04 cr

Listing: BSE & NSE

Book Running Lead Manager: JM Financial Limited, Credit Suisse Securities (India) Private Limited, Goldman Sachs (India) Securities Private Limited, HDFC Bank Limited, Kotak Mahindra Capital Company Limited

Registrar to issue: Link Intime India Private Limited

Shareholding Pattern

Shareholding Pattern	Pre issue %	Post issue %
Promoter and Promoter Group	67.80	55.30
Public & Employee	32.20	44.70
Total	100.0	100.0

Source for this Note: RHP

Background & Operations:

Metropolis Healthcare Ltd (MHL) is one of the leading diagnostics companies in India, by revenue, as of March 31, 2018. It has widespread presence across 19 states in India, as of December 31, 2018, with leadership position in west and south India. Through its widespread operational network, it offers a comprehensive range of clinical laboratory tests and profiles, which are used for prediction, early detection, diagnostic screening, confirmation and/or monitoring of the disease. It also offers analytical and support services to clinical research organizations for their clinical research projects. During the nine-month period ended December 31, 2018, it conducted approximately 12.3 million tests from approximately 6.6 million patient visits as compared to approximately 16.0 million tests from approximately 7.7 million patient visits during the financial year 2018.

MHL offers a broad range of approximately 3,487 clinical laboratory tests and 530 profiles, as of December 31, 2018. The profile comprises of a variety of test combinations which are specific to a disease or disorder as well as wellness profiles that are used for health and fitness screening. It classifies its tests into (i) 'routine' tests such as blood chemistry analyses, blood cell counts and urine examination; (ii) 'semi-specialized' tests such as thyroid function tests, viral and bacterial cultures, histology, cytology and infectious disease tests; and (iii) 'specialized' tests such as tests for coagulation studies, autoimmunity tests, cytogenetics and molecular diagnostics. It is focused on providing reliable test results as well as value-added services such as home collection of specimens and online access to test reports. It also offers customized wellness packages to its institutional customers as per their requirement. MHL's patient centric approach is a critical differentiator which results in several individuals and healthcare providers choosing it as their diagnostic healthcare service provider.

MHL conducts its operations through its laboratory and service network. It has implemented a 'hub and spoke' model for quick and efficient delivery of services through widespread laboratory and service network, which covers 197 cities in India, as of December 31, 2018. As of December 31, 2018, its laboratory network consists of 115 clinical laboratories, comprising (i) a global reference laboratory ("GRL") located in Mumbai, which is main 'hub' and equipped to conduct majority of the tests offered by it; (ii) 14 regional reference laboratories ("RRLs") (out of which four are located outside India), which are equipped to conduct routine, semi-specialized and few specialized tests; (iii) 56 satellite laboratories (out of which one is located outside India), which are equipped to conduct routine and semi-specialized tests; and (iv) 44 express laboratories (out of which five are located outside India), which are equipped to conduct routine tests. MHL's service network caters to individual patients as well as institutional customers. It services individual patients through 1,631 patient touch points (out of which 26 are located outside India), as of December 31, 2018, including 256 patient service centers owned by it ("Owned PSCs") and 1,375 third party patient service centers ("Third Party PSCs"). MHL service its institutional customers through approximately 9,552 institutional touch points, as of December 31, 2018, including (i) approximately 9,000 pick-up points; and (ii) 552 assisted referral centers ("ARCs") (out of which seven are located outside India), which are its exclusive third party referral centers.

Objects of Issue:

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchanges and for the Offer for Sale. Further, MHL expects that listing of the Equity Shares will enhance its visibility and brand image and provide liquidity to the Shareholders. The listing will also provide a public market for the Equity Shares in India. MHL will not receive any proceeds from the Offer and all the proceeds will be received by the Selling Shareholders, in proportion to the Offered Shares sold by the respective Selling Shareholders as part of the Offer.

The table below shows key financial and operational metrics:

Particulars	As of and for the nine months period ended December 31, 2018	As of and the for the year ended March 31, 2018	As of and the for the year ended March 31, 2017	As of and for the year ended March 31, 2016
Clinical laboratories	115	106	95	89
Number of patient visits (in million)	6.6	7.7	7.0	6.9
Total number of patient touch points:	1631	1130	579	277
<i>Number of Owned PSCs</i>	256	251	223	160
<i>Number of Third Party PSCs</i>	1375	879	356	117
Total number of institutional touch points (approximately):	9552	9020	7308	6651
<i>Number of pick-up points (approximately)</i>	9000	8500	7000	6500
<i>Number of ARCs</i>	552	520	308	151
Number of tests performed (in million) (approximately)	12.3	16.0	14.3	13.4
Number of tests/profiles per patient visit	1.86	2.08	2.04	1.94
Revenue per test/profiles ¹ (in Rs)	454.72	402.2	380.9	354.8
Revenue per patient visit ² (in Rs)	847.43	835.8	778.2	689.0

Competitive Strengths

One of the leading diagnostics companies in India which is well positioned to leverage the expected growth in the Indian diagnostics industry: MHL is one of the leading diagnostics companies in India, by revenue, as of March 31, 2018. It has widespread presence across 19 states in India, as of December 31, 2018, with leadership position in west and south India. As of December 31, 2018, it has an operational network of 83 clinical laboratories, 1,473 patient touch points and 396 ARCs in west and south India. It is growing its presence in north and east India, and its clinical laboratories, patient touch points and ARCs has increased from 15, 25 and 59 as of March 31, 2016 to 22, 132 and 149, as of December 31, 2018, respectively. As of December 31, 2018, its operational network is spread across 197 cities in India. MHL's widespread presence provides a hedge against the risks associated with any particular geography while benefitting from the competitive advantages of each location. The diagnostics market in India is highly fragmented and largely unorganized. It is the third largest diagnostics service provider in India, by revenue, as of March 31, 2018. Further, the overall growth in the Indian diagnostics market is expected to be led by eight major cities which has the highest GDP (on purchasing power parity basis) in India. The company has significant presence in five of these eight major cities, namely Mumbai, Chennai, Surat, Pune and Bengaluru, with an operational network of 33 clinical laboratories, 1,156 patient touch points and 70 ARCs, as of December 31, 2018. It has also grown its presence in the remaining three cities, Delhi, Hyderabad and Kolkata, from five clinical laboratories, 16 patient touch points and 31 ARCs as of March 31, 2016 to eight clinical laboratories, 82 patient touch points and 61 ARCs, as of December 31, 2018.

Widespread operational network, young patient touch point network and asset light growth of service network: MHL's operations are supported by a laboratory network comprising of 115 clinical laboratories, including its GRL and a service network comprising of (i) 1,631 patient touch points, including 256 Owned PSCs and 1,375 Third Party PSCs, which service individual patients; and (ii) approximately 9,000 pick-up points and 552 ARCs, which service institutional customers, as of December 31, 2018. MHL's 'hub and spoke' model, whereby specimens are collected across multiple locations within a region for delivery to its clinical laboratories for diagnostic testing, provides greater economies of scale and enhances consistency of its testing procedures. In addition, it is able to leverage its widespread network of clinical laboratories to compete effectively with local diagnostic providers in each of the markets in which it operates. It has implemented an asset-light model for growing its service network. In addition to setting up Owned PSCs, it has significantly expanded its service network by contracting with Third Party PSCs, to service its individual patients, with limited capital expenditure incurred by it. In addition, MHL also provide home collection service to its patients, which allows to collect specimens at the patient's house. For catering to the requirements of its institutional customers, MHL has set up pick-up points and ARCs.

Comprehensive test menu with wide range of clinical laboratory tests and profiles: MHL offers a comprehensive range of approximately 3,487 clinical laboratory tests and 530 profiles to its patients, as of December 31, 2018. Its test menu includes pathology tests ranging from basic biochemistry and surgical pathology to cytogenetics and high-end molecular diagnostic tests. Besides pathology tests, some of its centers also offer non-pathology tests such as ECG, X-ray, ultrasound and stress tests. According to Frost & Sullivan, there has been a significant growth in demand of preventive health checkup in India, and to cater to this demand, it has developed a wide range of wellness profiles for its diverse patient base. It also offers customized wellness packages to its institutional customers as per their requirement. It has invested in a wide range of specialized tests and has adopted several advanced tests and technologies introduced in the global market, particularly in case of specialized tests.

Strong and established brand with a focus on quality and customer service: MHL has established a well-recognized brand by delivering quality and reliable diagnostic services since 1980. Over the years, it has received several awards that recognize the strength of its brand and its focus on offering superior diagnostic tests and services. MHL was recognized for “excellence in customer service and delivery” by Biotrains in 2018, and also received special jury mention for “service excellence (diagnostic center)” by FICCI at the Healthcare Excellence Awards 2018. In addition, its health campaign was recognized as “best in health and fitness” in the Digital Campaign Awards 2018 by LH Insights. Customer service is a critical differentiator across all stages of its operations. For the convenience of its patients, it has developed a mobile application for scheduling house calls, accessing test reports, receiving test reminders as well as making online requests for billing information. MHL offers its patients a detailed test report which covers result trend analysis and patient specific interpretations and comments by its doctors in some cases. It also has a policy of ensuring conclusive diagnosis to its patients, even if it involves incurring additional costs for, by way of re-checks and repeat specimen analysis.

Robust Information Technology Infrastructure with Focus on Improving Efficiency: MHL’s laboratory operations are supported by a cloud-based information technology platform, while rest of its operations are managed using a centralized SAP platform. Its information technology system allows it to fully integrate and automate processes ranging from registration, bar-coding and billing of specimens to analysis and reporting of test results. Its information technology system enables it to (i) achieve standardization across operations; (ii) reduce incidence of errors due to human intervention; (iii) monitor technical operations; (iv) closely track key performance metrics; and (v) provide convenience to patients and customers, by allowing them to book appointments, complete registration and access test reports online. MHL’s information technology infrastructure is scalable and has been designed to support the growth of its business and help ensure reliability of its operations as well as the security of customer information.

Established track record of successful acquisition and integration in India and overseas: MHL’s has a track record of acquiring and successfully integrating companies to grow its portfolio of laboratory and service network. It has acquired several companies since 2002, which includes established local chains such as Sudharma Metropolis Health Services Private Limited in Kerala and Golwilkar Metropolis Health Services (India) Private Limited in Pune as well as companies outside India. It was able to successfully integrate these acquired businesses in its portfolio by (i) bringing in industry best practices to these acquired businesses including standardized machines and standard operating procedures, in a phased manner, resulting in efficiency and quality enhancement; (ii) providing them access to its sales and marketing network; (iii) providing them access to a more comprehensive test menu by leveraging its capabilities; and (iv) using its brand strength to strengthen their positioning in the local market. MHL was able to improve the performance of majority of these acquired companies as well as grow its scale of business and operations, achieve economies of scale and increase its operating efficiency, thereby further improving its market position.

Experienced Senior Management Team and Qualified Operational Personnel: MHL is a promoter led, professionally managed company. It has a strong management team led by its Chief Executive Officer, Vijender Singh, who has significant industry experience. Its senior management team also includes its Group President, Science & Innovation, Dr. Nilesh Shah and its Chief Financial Officer, Tushar Karnik. Additionally, it has a team of approximately 196 doctors and pathologists and 2,236 scientific officers and phlebotomists, including third-party consultants, as of December 31, 2018. In addition, the knowledge and experience of its team members provides it with a significant competitive advantage as it seeks to grow its business.

Business Strategy:

Continue to Focus on Organic Growth Initiatives to Expand Reach: MHL has developed a highly differentiated and focused growth strategy of dividing the key target cities in which it operates into focus cities, seeding cities and other key cities, on the basis of its market share, the strength of its brand, operational history, experience and the quality of the team. It channels resources in growing its market share within these geographies in order of their importance in its growth strategy.

Focus cities: MHL has identified five focus cities, for the financial year 2019 - Mumbai, Bengaluru, Chennai, Surat and Pune (“Focus Cities”). It has significant presence and operational experience in these five Focus Cities, and derived 58.78% and 62.75% of its revenue from operations from these cities for the nine months ended December 31, 2018 and financial year 2018, respectively. It intends to deepen its penetration in Focus Cities by (i) increasing the number of Third Party PSCs; (ii) enhancing laboratory capacity and test menu by adding latest machines and technology; (iii) expanding business derived from individual patients; (iv) employing focused sales and marketing teams to generate walk-ins through targeted marketing strategies and use of the customer relationship management (“CRM”) marketing tool; (v) doctor engagement through medical awareness initiatives and meetings with medical practitioners; and (vi) increased focus on home collection service and wellness offerings. It intends to evaluate the list of Focus Cities on a yearly basis to ensure that its resources are deployed in line with growth strategy.

Seeding cities: MHL has identified eight seeding cities and regions which are expected to have strong growth potential, comprising Rajkot, Nashik, Nagpur, Kochi, Raipur, National Capital Region (“NCR”), Kolkata and Guwahati (“Seeding Cities”). Given the expected increase in

demand for diagnostic services in the Seeding Cities, it is expected Seeding Cities to be the core focus of MHL's medium to long term growth. It intends to expand its network in Seeding Cities by (i) increasing the number of patient touch points; (ii) expanding test offerings; and (iii) employing targeted marketing strategies to grow business. It intends to convert some of these Seeding Cities into Focus Cities, in a phased manner, after these cities meet its internal benchmarks.

Other key cities: MHL has identified 166 other key cities in which it either has its satellite or express laboratories or ARCs. In view, some of these Other Key Cities has the potential of becoming Seeding Cities in the medium term. It intends to use the asset-light model for expanding service network in Other Key Cities, with primary focus on growth of its ARC network to service institutional customers.

Continue Focus on Providing Quality Tests and Services: The quality and reliability of MHL's tests and services are critical to its success. Its vision is to help doctors treat their patients better and its strategy is to take the following steps in this regard

- upgrading technology for better quality, efficiency and reliability;
- consistent value addition to tests being offered; and
- promoting disease and disorder specific profiles, to allow doctors to receive comprehensive view of the patient's disease status.

It intends to continue to improve its value added services to make them more attractive for its existing as well as prospective patients. It is also actively involved in campaigns focused on creating awareness of particular conditions such as cancer, lifestyle diseases, monsoon diseases, and the importance of periodic testing.

Focus on the Expansion of Service Network: Going forward, MHL is particularly focused on using the Third Party PSC model for expanding the geographical reach of its service network, due to its high scalability and limited capital expenditure involved. Its Third Party PSCs include associate patient service centers ("APSCs") and standalone independent laboratories converted into Metropolis-branded patient service centers ("D-APSCs"). It also intends to grow its Owned PSCs in Focus and Seeding Cities. It is expected that a wider geographic reach will expand customer base as well as improve its profitability by allowing to better leverage its infrastructure. MHL will also continue to seek strategic partnerships with key third-party patient service centers in India, Africa and the Middle East to expand its geographic reach.

Focus on Increasing Business from Individual Patients: Across MHL's Focus Cities, it derived 47.8% of its revenue from operations from individual patients in the financial year 2018 as compared to 41.9% of its revenue from operations in the financial year 2016, representing a CAGR of 20.72%. Its business derived from individual patients helps to achieve better economies of scale, and to leverage this opportunity, it intends to:

- Focus on Metropolis-branded Third Party PSCs;
- Employ focused sales and support team;
- Undertake targeted marketing initiatives;

Pursue New Avenues of Growth: MHL intends to pursue several new avenues of growth, including:

Growing offering of test packages: MHL intends to increase the scope of test packages offered by it by offering (i) personalized packages to its individual patients, based on patient's age, sex and medical history; and (ii) customized packages to its institutional customers, based on their requirements.

Pursuing scientific upselling of tests: In line with scientific advancements in molecular diagnostics, oncology and cytogenetics, MHL has, over the time, made investments in these fields and are well positioned to improve the test menu and its technology capability in these areas. It also intends to pursue scientific upselling of tests, primarily to clinicians, to increase the scope of its test menu. It is also focused on growing its portfolio of tests, with special focus on specialized tests which has less competition and higher margins due to advanced technology, skilled manpower and complex processes involved.

Participating in select Public-Private Partnership tenders: MHL intends to selectively participate in certain Public-Private Partnership ("PPP") tenders in India by leveraging on its experience as the current provider of HIV-1-Viral load tests under its contract with NACO. Similar opportunities for PPP tenders also arise in the African markets in which it operates, and it intends to participate in these tenders on a selective basis.

Increase focus on contract research: MHL will place an increased focus on laboratory testing for clinical research processes with contract research organizations and pharmaceutical manufacturers.

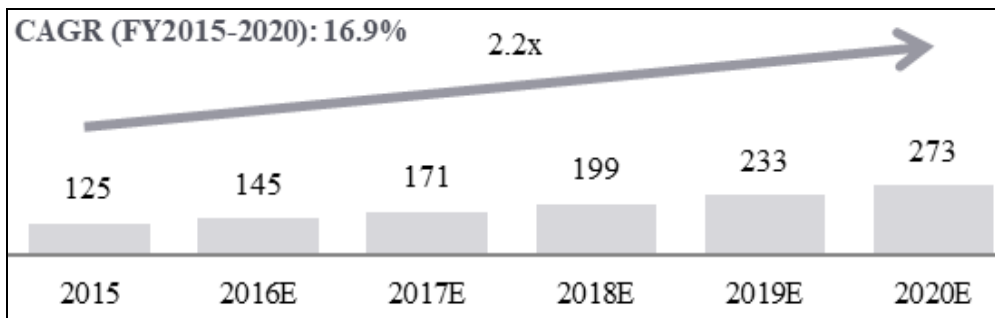
Focus on Consolidation Opportunities in a Largely Unorganized Diagnostic Sector: while the diagnostics industry is largely unorganized, increased brand awareness among patients and costumers, increased penetration of specialized tests, and a diverse and large test menu at

organized providers provides opportunity for faster consolidation in the diagnostics industry. Given MHL’s track record of successful consolidations, it is well positioned to take advantage of the expected consolidation opportunities and shift towards organized providers in the Indian diagnostics market. It will continue to selectively evaluate opportunities to increase its shareholding in its Subsidiaries and expansion opportunities in India, including through acquisitions of regional diagnostic healthcare service providers to, among others. In the past, MHL has integrated technology infrastructure, standard operating processes and logistics network of majority of the acquired businesses with its own systems in the past. Through its expertise and demonstrated track record of identifying appropriate targets, successfully integrating them and helping them grow, MHL is well positioned to drive growth of its business through inorganic route.

Industry:

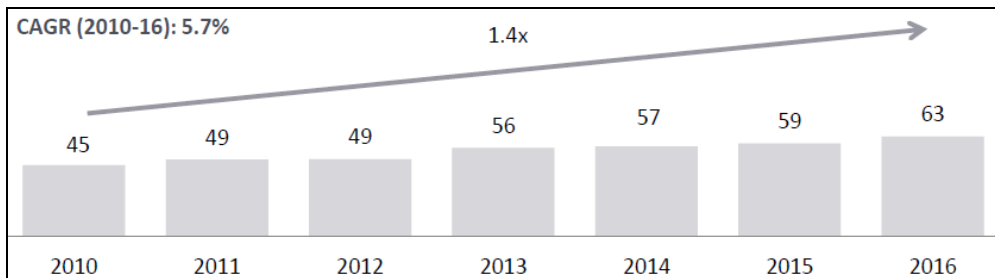
Overview of the Indian Healthcare Market

The size of the Indian healthcare industry, in revenue terms, was USD 125 billion in the financial year 2015, which is estimated to have increased to USD 171 billion by the financial year 2017. The healthcare industry is expected to grow at a CAGR of 16.9% from USD 125 billion in the financial year 2015 to USD 273 billion in the financial year 2020. India’s healthcare market is expected to be among the top three healthcare markets globally, in terms of incremental growth, by the financial year 2020. The following chart sets forth the historical and estimated trend in size of India’s healthcare market, in USD billion:



Per Capita Healthcare Expenditure

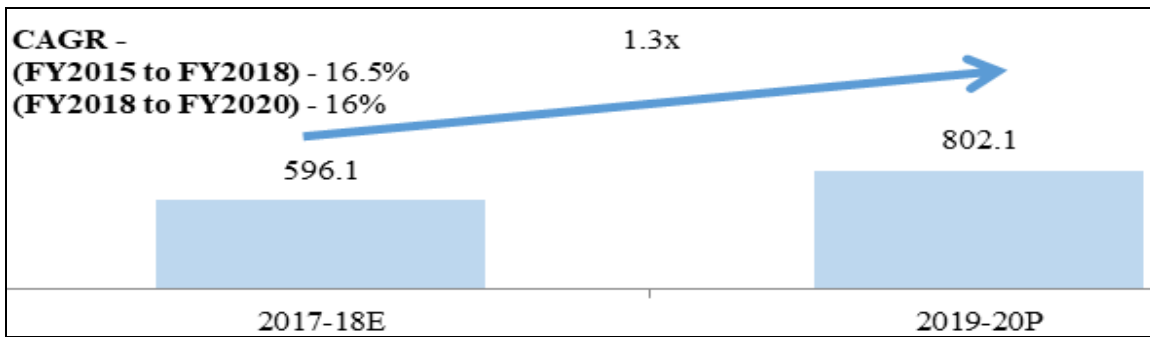
The following chart sets forth the trend in India’s per capita healthcare expenditure (USD) and its growth between the financial years 2010 and 2016:



Despite this growth, India’s per capita healthcare expenditure stands substantially lower than its South Asian peers such as Indonesia and China, which had per capita healthcare expenditures of USD 112 and USD 398 in 2016, respectively.

Overview of India’s Diagnostic Market

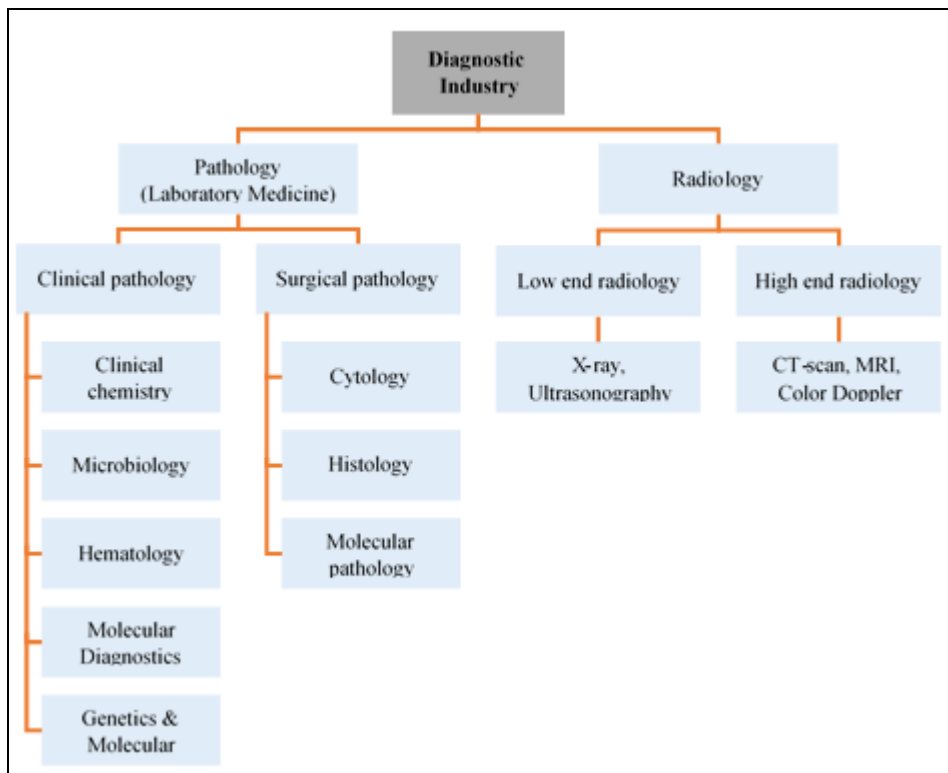
From the financial year 2015 to the financial year 2018, the Indian diagnostic industry is estimated to grow at a CAGR of approximately 16.5% to approximately Rs 596 billion (USD 9.1 billion) in the financial year 2018. For the next two years, India’s diagnostic industry is expected to grow at a CAGR of approximately 16% to reach approximately Rs 802 billion (USD 12.3 billion) in the financial year 2020. Within the diagnostics market, the pathology segment is estimated to contribute approximately 58% of total market, by revenue, in the financial year 2018, while the remaining 42% is estimated to be contributed by the radiology segment. The following chart sets forth the estimated and projected growth in India’s diagnostic industry from the financial year 2018 to the financial year 2022, in Rs billion:



India’s Diagnostic Industry Segments

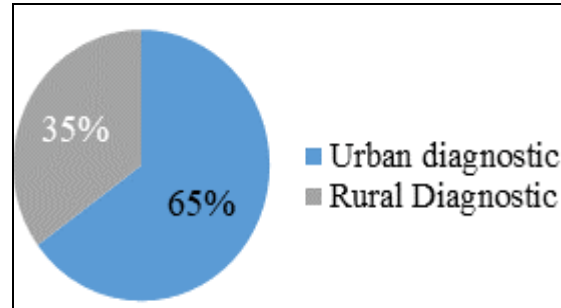
The diagnostic industry in India can be classified into pathology testing services and imaging diagnostic services. Pathology testing or in-vitro diagnosis involves the collection of samples, in the form of blood, urine and stool and analyzing them using laboratory equipment and technology to arrive at useful clinical information, in order to assist with the treatment of patients’ diseases. The pathology testing segment includes biochemistry, immunology, hematology, urine analysis, molecular diagnosis and microbiology. Imaging diagnosis or radiology involves imaging procedures such as x-rays and ultrasounds, which help mark anatomical or physiological changes inside a patient’s body, in order to assist doctors to diagnose a patient’s disease. The imaging diagnostic segment also includes more complex tests, such as computed tomography (“CT”) scans and magnetic resonance imaging (“MRIs”) and highly specialized tests, such as positron emission tomography (“PET”)-CT scans. Pathology testing is often the preferred first line of diagnosis for a majority of diseases and thus contributes to a major portion of the diagnostic industry. Given the high volumes of pathology testing conducted in India, it accounts for more than half of the revenue of the Indian diagnostic industry. The pathology business is highly scalable as blood samples can be shipped to a remote, centralized location to achieve economies of scale. In contrast, imaging business operators have to install diagnostic equipment close to the patient. Imaging services cannot be centralized and, as a result, are difficult to scale up.

The following chart sets forth segments of the diagnostic industry:



Major Contributor of Revenue in the Diagnostic Industry

The urban population of India (approximately 28% of India’s total population) contributes up to 65% of the total revenues of the diagnostics industry. The following chart sets forth the geographic break-up of the diagnostic industry in the financial year 2018:



Urban areas typically have better healthcare infrastructure in form of hospitals, clinics and diagnostic centers, along with greater penetration of the private sector in the healthcare space. Also, higher disposable incomes have made diagnostic tests more affordable along with increasing literacy rates which have resulted in the urban population availing better facilities.

The Preventive and Wellness Segment

The overall market for wellness and preventive diagnostics was 7 to 9% in the financial year 2018. It is expected that this segment will grow at a CAGR of approximately 20% over the next three financial years. Higher literacy levels are expected to increase awareness of preventive and curative healthcare and in turn boost the demand for diagnostic services. Also, the corporate sector is focusing more on the well-being of their employees, promoting them to undergo preventive and wellness tests. This will further support the growth of the preventive and wellness segment and the diagnostic sector as a whole.

Outlook on the Diagnostic Industry

Diagnostics industry remains highly fragmented

Standalone centers dominate the diagnostic market with a 47% share, while hospital-based laboratories have a 37% market share. Diagnostic chains have a 16% market share and are further split into Pan-India chains and regional chains. There are very few Pan-India chains, which together have a share of approximately 35 to 40% of the organized diagnostic market. Regional chains constitute the rest of the market.

Intense competition in the industry

The diagnostics industry is highly competitive with the presence of standalone centers, hospital-based laboratories and diagnostic chains. Hospital based laboratories have the advantage of a captive patient base (inpatient and outpatient). They also offer various wellness packages and home sample collection services. Regional chains and standalone centers have a strong local brand name and hence offer competition to diagnostic chains. However, with inherent cost efficiencies in their business model, diagnostic chains are able to offer competitive prices as compared with other service providers. Also, standalone centers may have limited test offerings and the perceived quality of testing may not be as good as that of an established chain.

Diagnostic chains to continue to acquire market share of standalone centers

Diagnostic chains have grown rapidly with the emergence of Pan-India players. Diagnostic chains have been able to maintain rapid growth by opening more collection centers, which has helped them improve their asset utilization. Moreover, large chains have higher bargaining power that allows them to keep their input costs (bulk purchase of reagents) lower than standalone centers. Standalone centers also tend to lose out on some business on account of the unavailability of complex tests and the perception that the quality of services may not match that provided by branded chains. In last few years there have been quite a few acquisitions in this space with larger players buying smaller players in order to gain market share. All these will lead to diagnostic chains continuing to acquire market share of standalone centers.

Key Concerns:

Business, result of operations and financial condition could be affected by adverse results of legal proceedings: There are several outstanding legal proceedings against MHL, Subsidiaries, Directors and Promoters. In particular, MHL has sought to compound certain offences under the Companies Act, 2013 before the NCLT and the Registrar of Companies. Further, it has been issued a summon cum show cause notice from the Assistant Provident Fund Commissioner, Employees' Provident Fund Organisation, Ministry of Labour and Employment, Government of India. It cannot be assured that these outstanding legal proceedings will be decided in Company's favor or in favor of its Subsidiaries, Directors or Promoters, or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management's time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect Directors, individual Promoters and/or MHL's profitability, reputation, business, result of operations and financial condition.

MHL had certain disagreements with ETA Star Healthcare LLC due to which it has not been able to account for the results of its associate, Star Metropolis Health Services Middle East LLC, in consolidated financial statements since Fiscal 2012 and there is an auditor qualification in its financial statements in this regard: Star Metropolis Health Services Middle East LLC (“Star Metropolis”) is a company incorporated under the laws of the United Arab Emirates in which MHL acquired and currently hold 34% equity interest pursuant to a shareholder’s agreement dated May 23, 2005 (“SHA”). The remaining 66% equity interest is held by ETA Star Healthcare LLC (“ETA”). Since 2011, certain disagreements arose between MHL, ETA and Star Metropolis. Subsequently, Star Metropolis stopped providing any information, including financial information, to the Company and no further notice of any meeting of the shareholders or the supervisory board was sent to the Company. While, it has sought to establish contact with Arabian Healthcare Group LLC, parent entity of ETA, it has not been able to account for, amongst other things, the results of Star Metropolis since Fiscal 2012 because of non-availability of adequate information. Further, it understands that STAR Metropolis Clinical Laboratories & Healthcare Service Middle East, one of the affiliates of ETA, has been using the ‘Metropolis’ brand to market its pathology services in the Gulf Cooperation Council. The use of the ‘Metropolis’ brand name by STAR Metropolis Clinical Laboratories & Healthcare Service Middle East may lead to customers confusing them with MHL, which could lead to it losing business to such entity and could adversely affect its reputation and business.

Inability to effectively manage growth or to successfully implement the business plan and growth strategy could have an adverse effect on the business, results of operations and financial condition: MHL has experienced considerable growth over the past three years and it has significantly expanded its operations and service offerings. Its revenue from operations grew from Rs 4,754.69 million for the financial year 2016 to Rs 6,435.67 million for the financial year 2018, while profit for the year grew from Rs 819.55 million for the financial year 2016 to Rs 1,097.47 million for the financial year 2018. However, it cannot be assured that its growth strategy will continue to be successful or that it will be able to continue to grow further, or at the same rate. Its inability to manage its expansion effectively and execute growth strategy in a timely manner, or within budget estimates or inability to meet the expectations of stakeholders could have an adverse effect on the business, results of operations and financial condition.

Inability to protect or use intellectual property rights or comply with intellectual property rights of others may adversely affect the business: MHL consider its brands and intellectual property to be one of its most valuable assets and it has certain trademarks registered in India and abroad. It also relies on unpatented proprietary know-how, continuing technological innovation and other trade secrets to develop and maintain its competitive position. MHL has applied for a trademark registration of its logo and name “Metropolis”, If any of its unregistered trademarks are registered in favour of a third party, it may not be able to claim registered ownership of such trademarks, and consequently, may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities. Inability to obtain or maintain these registrations may adversely affect MHL’s competitive business position. Further, its tests and business processes may infringe on the intellectual property rights of others. While it takes care to ensure that it comply with the intellectual property rights of others, it cannot determine with certainty whether it is infringing any existing third-party intellectual property rights, which may force it to alter its offerings. Infringement claims could also arise in the future as patents could be issued on tests or processes that MHL may be performing, particularly in such emerging areas as gene-based testing and other specialty testing. Any of the foregoing could have an adverse effect on its business, results of operations and financial condition.

A member of Promoter Group, Dr. Duru Sushil Shah and Promoters shall encumber certain Equity Shares with certain SI-NBFCs. In addition, Dr. Duru Sushil Shah along with Promoters, Ameera Sushil Shah and Dr. Sushil Kanubhai Shah, has provided personal guarantees: Up to 9,209,230 Equity Shares held by Dr. Duru Sushil Shah, representing 18.35% and up to 5,067,161 Equity Shares held by the Promoters, representing 10.09%, respectively, of the total outstanding paid-up capital of the Company are subject to pledge post Allotment and prior to listing and commencement of trading of Equity Shares on the Stock Exchanges, in favour of certain SI-NBFCs in relation to a term loan availed by Metz Advisory LLP (“Loan”). Further, post listing and commencement of trading of Equity Shares on the Stock Exchanges, certain additional Equity Shares of the Promoters may be pledged in accordance with terms of the Loan. Any default under the agreements pursuant to which these Equity Shares would be pledged will entitle the pledgee to enforce the pledge over these Equity Shares. If this happens, the shareholding of the Promoter and Promoter Group may be diluted and MHL may face certain impediments in taking decisions on certain key, strategic matters involving the Company. As a result, it may not be able to conduct its business or implement its strategies as currently planned, which may adversely affect the business and financial condition.

There are certain restrictive conditions on MHL pursuant to a financing agreement executed by one of the promoters, Metz Advisory LLP and also a cash credit facility availed by the Company from HDFC Bank Limited: One of MHL’s Promoters, Metz Advisory LLP, has availed a term loan and has entered into a financing agreement with the lenders. The financing agreement include various conditions and restrictive covenants, including the requirement that it obtain consent from/intimate the lenders prior to carrying out certain activities and entering into certain transactions. Additionally, the financing agreement requires that its Promoters and Dr. Duru Sushil Shah together continue to hold a least 51% equity interest in MHL and pledge certain of their shareholding with the lenders, subject to applicable law. Further, its Company has availed a cash credit facility from HDFC Bank Limited pursuant to a sanction letter dated February 8, 2019. These restrictions may limit MHL’s flexibility in responding to business opportunities, competitive developments and adverse economic or industry conditions.

A breach of any of these covenants could result in a variety of adverse consequences, including the termination of the credit facilities in part or full and acceleration of all amounts outstanding.

Business and prospects may be adversely affected if MHL is unable to maintain and grow brand image: MHL's brand and reputation are critical for the success of its business and operations. Its ability to maintain and improve its brand image is dependent on factors such as quality, accuracy and efficiency of its clinical laboratory tests and profiles, turnaround time and patient satisfaction, the performance of its service network, the introduction of new tests and services and ability to maintain strong relationships with doctors and vendors. Further, as MHL expand into new geographic markets within India and overseas, and as the market becomes increasingly competitive, maintaining and enhancing brand image may become costly and difficult. Its service network includes third-party patient service centers which are operated by third-parties under the 'Metropolis' brand. Its relationship with third-party patient service centers are contractual in nature and it has limited control over them. If such third-party patient service centers fail to meet its quality standards, engage in improper business practices or otherwise act in any way that harm its brand, reputation may be adversely affected and it may lose existing and potential patients. In the event that (i) a third party having a right to use its brand name for a specific purpose on limited terms under an arrangement with it misuses brand, or (ii) customer complaints or adverse publicity from any other source damages its brand, its business, financial condition and results of operations may be adversely affected.

Any interruptions at Global Reference Laboratory may affect the ability to process clinical tests, which in turn may adversely affect MHL's business, results of operations and financial condition: MHL's Global Reference Laboratory ("GRL"), which is located in Mumbai, is its main 'hub' and equipped to conduct majority of the tests offered within its network. In addition to walk-in patients, its GRL also receives test requests and related specimens that other laboratories in its network are unable to process. Consequently, if MHL experience any interruptions at its GRL, or if it fails to function, in whole or in part, because of events such as fire, natural disaster as well as loss of licenses, certifications and permits, governmental planning for the land underlying its GRL and regulatory changes or other events beyond control, its services may be adversely affected or suspended for an indefinite period of time. Any failure, malfunction, shutdown or partial or complete destruction of MHL's GRL could adversely affect its business, prospects, results of operations and financial condition.

Any inadequacy in collection of, or failure or delay in the delivery of, specimens to MHL's laboratories could compromise or destroy the integrity of such specimens, which could adversely affect the business, results of operations and financial condition: The process of collecting specimens is highly dependent on the skill and performance of MHL's front-end employees. Any losses or errors in the specimen collection, preparation, labelling and storage process could result in it not being able to effectively provide its services and adversely affect its business and reputation. The timely pickup, transportation and delivery of specimens depend on several factors beyond control, including weather and road conditions, air traffic delays and, in the case of international operations, delays at customs check points. Any disruptions in transportation services on account of natural disasters, strikes, lock-outs, terrorism, inadequacies in the road or air infrastructure, weather related problems, or other events beyond its control could affect MHL's ability to receive specimens and generate test results in a timely manner. Further, specimens may be lost, damaged or contaminated due to mishandling while in transit. In the event specimens are lost, destroyed, damaged or contaminated, it may incur additional costs, such as the cost of re-administering tests or from delays in the generation of critical test results. The occurrence of any such events could adversely affect MHL's reputation, business, results of operations and financial condition.

Operations are concentrated in west and south India, and any loss of business in such regions could have an adverse effect on business, results of operations and financial condition: While MHL has widespread presence across 19 states in India, as of December 31, 2018, a significant portion of its operations are concentrated in west and south India. It derived (i) 51.84%, 54.08%, 55.62% and 55.72% of its revenue from operations from west India for the nine months ended December 31, 2018 and the financial years 2018, 2017 and 2016, respectively. Further, as of December 31, 2018, it has an operational network of 83 clinical laboratories, 1,473 patient touch points (which primarily cater to individual patients) 396 Assisted Referral Centers ("ARCs") (which primarily cater to institutional customers) in west and south India which comprised 65.09%, 85.58% and 60.38% of its total network of clinical laboratories, patient touch points and ARCs, respectively. In the event of a regional slowdown in the economic activity in these regions, or any other developments including political or civil unrest, disruption or sustained economic downturn that reduce the demand for its services in these regions, could adversely affect the business, financial condition and results of operations, which are largely dependent on the performance and other prevailing conditions affecting the economies of these regions.

MHL relies on the performance of third parties, including third party patient service centers and pick-up points, for a portion of its business: MHL rely on the performance of third parties, including third party patient service centers and channel partners, who may be responsible for setting up facilities, procuring equipment instruments and supplies, recruiting employees, running facilities, and sourcing the samples for providing diagnostic healthcare services. If there is a disruption in the third-party services, or breach of contractual obligations, or if the third-party service providers discontinue their service agreements with MHL, its business could be adversely affected and may result in litigation or other costs. If any third party service provider terminates its contractual arrangement with the Company, it cannot be assured

that it will be able to replace it with other third party service provider in a timely manner and at acceptable terms, or at all. MHL also rely on the performance of its pick-up points, including large and small-scale hospitals, nursing homes, private laboratories, radiology centers, diagnostic centers and other healthcare service providers for a portion of its business. Failure of its pick-up points to meet quality standards could result in MHL not being able to effectively provide its services and adversely affect its business and reputation.

Any cancellation of contract or rejection, delay or failure by institutional customers, including customers in 'Laboratory in Hospital' mode and Public-Private Partnership contract with National Aids Control Organization, to make payments under the contract may adversely affect the business, results of operations, financial condition and prospects: MHL rely on its institutional customers, including its customers in 'Laboratory in Hospital' model and Public-Private Partnership ("PPP") contract with National Aids Control Organization ("NACO"), for a portion of its business. However, it is exposed to the risk of rejection, delay or failure by its institutional customers to make payment for claims it submit for services rendered. An increase in claims rejections or prolonged or repeated failures by MHL's institutional customers to make payments may adversely affect the business, results of operations and financial condition. Further, MHL is also exposed to the risk of cancellation of the contract and subsequent blacklisting by NACO in case MHL fails to provide its services effectively, which would adversely affect its ability to obtain additional PPP tenders in the future. In case MHL get blacklisted from participating in future tenders issued by NACO or other government entities, it could adversely affect its business, results of operations, financial condition and prospects.

MHL require certain approvals, licenses, registrations and permits for conducting its business and inability to obtain, retain or renew them in a timely manner, or at all, may adversely affect the business, results of operations and financial condition: MHL's operations are subject to extensive government regulation and it is required to obtain and maintain a number of statutory and regulatory registrations, permits and approvals under central, state and local government rules in India, generally for carrying out its business and for each of its facilities. MHL's licenses and approvals are subject to various conditions, including periodic renewal and maintenance standards that are subject to inspection and may require it to incur substantial expenditure. Any actual or alleged failure on its part to comply with the terms and conditions of such regulatory licenses and registrations could expose MHL to significant compliance costs or liabilities or could affect its ability to continue its operations. Further, in the event certain accreditations, are made compulsory, either by law or as a condition for empanelment, its business and operations may be adversely affected until such time it receive such accreditations.

The diagnostics industry in India is highly competitive and inability to compete effectively may adversely affect the business, results of operations and financial condition: The diagnostics industry in India is highly competitive with several companies present in the market, and therefore it is challenging to improve market share and profitability. Its competitors include diagnostic healthcare service providers in India, hospital-based laboratories, independent clinical laboratories, other smaller-scale providers of diagnostic services (with more established local and regional presence in certain geographies) such as pathology, radiology laboratories and preventive care providers as well as international service providers which may establish and expand operations in future. Also, the pricing-related competition may intensify in the near future which may have an adverse impact on the results of operations, including profit margins. Increase in the number of comparable diagnostic healthcare facilities may exert additional pricing pressure on some or all of its services. MHL's larger competitors may also have the benefit of increased cost efficiencies and provide services similar to it at a significant discount to its prices. If it is unable to compete effectively, its business could decline or contract and its business, results of operations and financial condition could be adversely affected.

Implementation of pricing policies by the Government or other authorities could adversely affect the business, results of operations and financial condition: The prices that MHL charge for its services could become subject to recommended or maximum fees set by the Government or other authorities. The government could introduce "price lists" for services that could be mandatory or, even if not mandatory, result in guidance for the prices it charge for its diagnostic healthcare services. The implementation of such or other policies affecting the prices it charge could, in effect, limit its ability to charge customers higher prices for its services, which may have an adverse effect on the business, results of operations and financial condition.

Failure or malfunction of equipment could adversely affect the ability to conduct operations: MHL's operations are subject to risks inherent in the use of complex medical equipment. It may experience failures or there could be injury to its employees or others either because of defects, faulty maintenance or repair, or improper use or lack of timely servicing of its equipment. Any significant malfunction or breakdown of its equipment may entail significant repair and maintenance costs and cause disruptions in its operations. It cannot be assured that it would be able effectively respond to any such events, in a timely manner and at an acceptable cost, which could lead to an inability to effectively provide its services and, therefore, affect its business and reputation.

Failure to acquire new or improved equipment could adversely affect the business, results of operations and financial condition: Competition among manufacturers for a greater share of the diagnostic healthcare equipment market may accelerate the development of new technologies and, consequently, result in the obsolescence of MHL's equipment, and it may not have the financial ability to acquire new or improved equipment and may not be able to maintain a competitive equipment base. It may consequently be unable to deliver its

diagnostic healthcare services in an efficient and effective manner and, as a result, its business, results of operations and financial condition may be adversely affected.

Technological advancement may lead to more cost-effective technologies: Technological advancement could lead to the development of more cost-effective technologies or non-invasive diagnostic healthcare tests which are more convenient or less expensive than the tests that MHL offers. The introduction of such technology and its subsequent use by its existing and potential patients could lead to a decline in the demand for its services. In addition, manufacturers of laboratory equipment and test kits could seek to increase their sales by marketing point-of-care laboratory equipment to physicians and by selling test kits approved for home use to both physicians and patients. Increased testing by physicians in their offices and home use by patients could affect the market for its services and, therefore, adversely affect the business, results of operations and financial condition.

Failure to introduce new tests, services and technologies could adversely affect the business, results of operations and financial condition: The diagnostic healthcare services industry is subject to constant innovations in, and improvements to tests and services, processes and technologies. In order to maintain MHL's position in its industry, it must continue to anticipate and keep abreast of the demands and needs of patients through investing in technologies to develop new tests and services and improve existing tests and services. If it fails to anticipate trends in the industry, or it is not able to introduce or develop new tests, services and technologies before or at least concurrently with its competitors and at competitive prices, its business, results of operations and financial condition may be adversely affected.

MHL relies on information technology platform for the operation of business and to protect patients' personal information: MHL has information technology systems that support its business processes, including for conducting tests, transmission of testing results, billing services, quality control, tracking logistics, human resources, finance and other patient service functions. As a result, its business depends on the capacity, reliability and security of technology systems, as well as the systems of third-party information technology vendors whom it engages and will continue to do so. These systems may be susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, break-ins and similar events. In addition, systems and proprietary data stored electronically may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. Sustained system failures or interruption of systems (including systems of third-party information technology vendors) in one or more of laboratory operations could disrupt MHL's ability to process laboratory requisitions, perform testing, provide test results in a timely manner and bill the appropriate party. The occurrence of any such events could adversely affect the business, interrupt operations, subject MHL to increased operating costs and expose it to litigation.

If MHL pursue strategic acquisitions, it may not be able to successfully consummate favorable transactions or successfully integrate acquired businesses: From time to time, MHL may evaluate potential acquisitions that would further strategic objectives of the Company. However, it may not be able to (i) identify or secure suitable investment or acquisition opportunities, or its competitors may capitalize on such opportunities before MHL do; (ii) obtain requisite approvals from governmental authorities on a timely basis; (iii) consummate a transaction without delay and on terms that are favorable to it; or (iv) achieve expected returns and other benefits as a result of integration challenges or anti-monopoly regulations. Further, companies or operations acquired or joint ventures created by MHL may not be profitable and may have unidentified issues not discovered in its due diligence process including hidden liabilities and legal contingencies or may not achieve sales levels and profitability that justify the investments made. MHL's corporate development activities may entail financial and operational risks, including diversion of management attention and other resources from its existing core businesses, difficulty in integrating, retaining or separating personnel and financial and other systems, and negative impacts on existing business relationships with suppliers and customers. If MHL fails to successfully source, execute and integrate investments or acquisitions, it may have to discontinue the operations of acquired companies and write off its investments, and as a result its overall growth could be impaired, and its business, results of operations and financial condition could be adversely affected.

Employee misconduct or failure of internal processes or procedures could harm by impairing ability to attract and retain patients and subject MHL to significant legal liability and reputational harm: MHL's business is exposed to the risk of employee misconduct or the failure of its internal processes and procedures. In addition, it may be subject to regulatory or other proceedings in connection with any such unauthorized transaction, fraud or misappropriation by its employees, which could adversely affect MHL's goodwill, business prospects and future financial performance. Even when it identifies instances of fraud and other misconduct and pursue legal recourse or file claims with its insurance carriers, it cannot be assured that it will recover any amounts lost through such fraud or other misconduct.

MHL may be subject to legal proceedings arising out of patient complaints in relation to its services, which could adversely affect he business and reputation: MHL may receive patient complaints arising out of any alleged deficiency, negligence or malpractice in relation to the services that it provides. In the past, it has received such complaints from patients on various grounds, including alleged delays in providing test results and incorrect results or misdiagnoses. It may also be subject to professional liability claims, including for the improper

use or malfunction of its diagnostic equipment, contamination or injury arising from exposure to radiation, or for infections or other complications arising from the specimen collection process. Consequently, any patient complaints or litigation brought against it as a result of its services may adversely affect the reputation and brand, result in the imposition of fines and divert the attention of its management from its operations, which could adversely affect the business and reputation.

MHL may become subject to professional malpractice liability, which could be costly and, therefore, could negatively affect the business, results of operations and financial condition: Although MHL do not believe its operations or activities constitute the practice of medicine, nevertheless, claims, suits or complaints relating to services provided by its laboratories may be asserted against it in the future. In addition, MHL may be subject to professional liability claims, including, without limitation, for improper use or malfunction of its diagnostic imaging equipment or for accidental contamination or injury from exposure to radiation. It may not be able to maintain and currently do not maintain liability insurance to protect it against such claims. Any claim made against the Company that is not fully covered by insurance could be costly to defend, result in a substantial damage award against it and divert the attention of its management from its operations, which could have an adverse effect on the business, results of operations and financial condition.

MHL is subject to risks associated with overseas operations, which could adversely affect the business, results of operations and financial condition: MHL conduct certain of its operations in foreign countries including Ghana, Nepal, Oman, Nigeria, UAE, Kenya, Mauritius, Sri Lanka and Zambia. Its international operations are subject to risks that are specific to each country and region in which it operates as well as risks associated with international operations in general. Any adverse weather conditions, social, economic and geopolitical conditions, such as natural disasters, civil disturbance, terrorist attacks, war or other military action in these regions could affect the business and operations.

MHL face foreign exchange risks that could adversely affect the results of operations: MHL make payment for certain equipment in Euro and US dollars and as such, it is exposed to fluctuations in exchange rates between Euro, US Dollar and the Indian Rupee. Further, a small portion of its revenues, particularly relating to its overseas operations, is denominated in currencies other than Indian Rupees. It is exposed to the risk of incurring potential losses if currencies fluctuate significantly. Any such losses on account of foreign exchange fluctuations may adversely affect its results of operations.

If MHL is unable to raise additional capital, its business, results of operations, financial condition and cash flows could be adversely affected: MHL will continue to incur significant expenditure in maintaining and growing its existing infrastructure. It cannot be assured that it will have sufficient capital resources for its current operations or any future expansion plans that it may have. While it expects its cash on hand and cash flow from operations to be adequate to fund its existing commitments, its ability to incur any future borrowings is dependent upon the success of its operations. Additionally, the inability to obtain sufficient financing could adversely affect MHL's ability to complete expansion plans. Any unfavorable change to terms of borrowings may adversely affect its cash flows, results of operations and financial conditions. If MHL decides to meet its capital requirements through debt financing, it may be subject to certain restrictive covenants. If it is unable to raise adequate capital in a timely manner and on acceptable terms, or at all, its business, results of operations, financial condition and cash flows could be adversely affected.

Various challenges currently faced by the healthcare industry in India may also adversely affect the business, results of operations and financial condition: MHL's business is affected by the various challenges currently faced by the Indian healthcare industry, including the provision of quality patient care in a competitive environment and managing costs. For example, healthcare costs in India has increased significantly over the past decade, and there have been and may continue to be proposals by legislators and regulators to limit the rate of increase, or lower, healthcare costs in India. Certain proposals by the Government of India, if passed, could impose, among other things, limitations on the prices MHL will be able to charge for its diagnostic healthcare services.

Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect the business, prospects and results of operations: The regulatory and policy environment in which MHL operates is evolving and subject to change. Such changes may adversely affect the business, results of operations and prospects, to the extent that it is unable to suitably respond to and comply with any such changes in applicable law and policy. However, given the recent introduction of the GST in India, there is no established practice regarding the implementation of, and compliance with, GST. Its business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for MHL to resolve and may impact the viability of its current businesses or restrict its ability to grow its businesses in the future.

Profit & Loss

Rs in million

Particulars	9MFY19	FY18	FY17
Revenue from operations	5593.1	6435.7	5447.2
Other Income	75.1	79.9	229.4
Total Income	5668.2	6515.6	5676.6
Total Expenditure	4160.8	4710.3	3927.8
Cost of material consumed	1296.7	1459.0	1351.0
Laboratory testing charges	38.5	56.8	24.7
Employee benefits expense	1337.2	1473.7	1277.0
Other expenses	1488.5	1720.9	1275.1
PBIDT	1507.4	1805.3	1748.8
Interest	4.6	12.1	3.9
PBDT	1502.8	1793.2	1745.0
Depreciation	146.1	190.2	172.3
PBT	1356.7	1603.0	1572.7
Share of profit / (loss) for equity accounted investees (net of tax)	-10.4	0.0	26.5
Tax (incl. DT & FBT)	458.5	505.5	526.6
Current tax	458.5	553.2	516.5
Deferred tax (net)	0.1	-47.6	10.1
Adj. PAT	887.7	1097.5	1072.6
EPS (Rs.)	17.69	23.0	22.5
Equity	100.4	95.4	95.4
Face Value	2.0	2.0	2.0
OPM (%)	25.6	26.8	27.9
PATM (%)	15.9	17.1	19.7

Balance Sheet:

Rs in million

Particulars	For nine months period ended December 31,2018	FY18	FY17
Assets			
Non-Current Assets	2412.1	2297.8	2300.4
Property, Plant and Equipment	1,141.08	1123.0	1051.6
Capital work-in-progress	0.0	0.0	9.5
Goodwill	785.7	783.7	824.6
Other intangible assets	180.3	167.7	147.4
Intangible assets under development	34.4	0.0	0.0
Equity accounted investees	9.1	0.1	60.3
Investments	17.5	17.6	17.6
Loans	31.7	33.2	37.2
Other non-current Financial Assets	92.1	83.3	22.4
Deferred tax assets (net)	35.7	52.97	34.31
Other non-current assets	25.3	19.6	85.76
Non-current tax assets (net)	59.2	16.66	9.80
Current assets	3426.6	3005.6	2851.2
Inventories	274.9	211.9	141.3
Investments	762.3	1004.2	1340.5
Trade receivables	1385.9	1006.8	802.9
Cash and cash equivalents	533.8	434.7	255.1
Bank Balances other than cash and cash equivalents	196.4	166.7	150.0
Loans	132.4	108.2	96.1
Other current financial asset	57.2	13.5	5.5
Current Tax Asset (Net)	4.8	2.5	1.0
Other current assets	79.0	57.05	58.85

Total Assets	5838.8	5303.4	5151.6
Equity & Liabilities			
Shareholders Funds	4703.2	4291.3	3441.6
Equity Share Capital	100.4	95.4	95.4
Other Equity	4580.0	4052.2	3136.3
Non Controlling Interest	22.8	143.6	209.8
Non-Current Liabilities	87.7	106.0	191.5
Borrowings	0.8	2.0	3.6
Others non-current financial liabilities	25.1	24.3	86.6
Provisions	32.4	35.2	31.5
Deferred Tax Liabilities (Net)	29.4	44.4	69.7
Other non-current liabilities			
Current Liabilities	1047.9	906.1	1518.6
Borrowings	2.5	3.7	4.0
Total outstanding dues of creditors other than micro enterprises and small enterprises	441.3	353.4	359.1
Other current financial liabilities	389.0	347.1	883.5
Other current liabilities	62.9	77.2	141.0
Provisions	64.4	43.7	36.8
Current Tax liability (Net)	87.8	81.1	94.3
Total Equity & Liabilities	5838.8	5303.4	5151.6

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