

Focused on
GROWTH

Committed to
EXCELLENCE



**INTEGRATED
ANNUAL REPORT
2024-25**

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This year holds special significance as we celebrated our 25th anniversary. A silver jubilee is not just a milestone; it is a moment to reflect on the journey that brought us here, one built on compassion, trust, and an unwavering commitment to excellence in pediatric and perinatal care.

Read more on  14



ABOUT OUR REPORT

This is the fourth Integrated Annual Report (hereinafter the “Report”) of Rainbow Children’s Medicare Limited, hereafter called “Rainbow”. It encapsulates our financial, operational, and societal activities. Our goal is to deliver long-term value to our stakeholders ethically, employing different forms of capital and further promoting value-added activities.

In this report, we have used six capitals – Financial, Manufactured, Human, Intellectual, Social & Relationship, and Natural – to provide holistic information on our value creation process. We have also captured information about the external operating environment, our strategy to maximize value creation, and our governance practices.

REPORTING PERIOD AND SCOPE

The quantitative and qualitative disclosures in this Report pertain to the financial year from April 1, 2024, to March 31, 2025. The report contains information concerning the operations of Rainbow and its subsidiaries, unless explicitly stated otherwise.

STANDARDS AND FRAMEWORKS

This report has been prepared in accordance with the Companies Act, 2013 (and the Rules made thereunder), the Indian Accounting Standards, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standards issued by the Institute of Company Secretaries of India.

The non-financial section of the Report has been compiled following the principles suggested by the International Integrated Reporting Council (IIRC). Furthermore, we have mapped the United Nations’ Sustainable Development Goals (SDGs) to the Key Performance Indicators (KPIs) used for reporting on the Capitals.

FORWARD-LOOKING STATEMENTS

This report may include statements projecting Rainbow’s future financial standing, operational outcomes, strategic plans, and growth projections, generally marked by forward-looking terminologies such as “believe”, “aim”, “intend”, “likely to”, “plan”, “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, among other phrases of similar import. Such forward-looking statements reflect current views and are based on management beliefs, plans, estimates and expectations based on the available information. We caution that the actual results, performances, or accomplishments may significantly vary from those projected in these forward-looking statements. We do not commit to update or revise any forward-looking statements, irrespective of any new information, future events, or other circumstances.



FEEDBACK

We continue to engage with all stakeholders to ensure that we improve our external integrated reporting. For more information about this Report or to provide feedback, please write to us at companysecretary@rainbowhospitals.in

Website

www.rainbowhospitals.in



Focused on **GROWTH** | Committed to **EXCELLENCE**

In FY 2025, Rainbow Children's Medicare Limited celebrated 25 years of steadfast commitment to pediatric and perinatal healthcare. This milestone was not only a moment to reflect on our legacy, but also a reaffirmation of the long-term vision that continues to guide our growth.



Our progress is rooted in a clear mission:

to make high-quality neonatal, pediatric, and maternal care accessible to more families across India and beyond. With each new hospital, service line, and innovation, we are extending our reach, enhancing clinical capabilities, and addressing the evolving needs of children and mothers.

This momentum is visible across our network. With 1,935 Capacity Beds in 19 hospitals across India, we are now preparing to add ~1,000 beds more – strengthening our presence in Southern India and entering high-growth regions in the North, including Gurugram. Plans are underway for new facilities in Bengaluru, Rajahmundry, and Coimbatore, while we actively explore strategic acquisitions in the North East and Western India.

We are also focused on expanding our international reach through medical tourism and cross-border collaborations. By engaging with health authorities and care networks across Africa and Southeast Asia, we are building Rainbow's presence in high-potential regions and improving access for international patients seeking advanced pediatric and maternal care.



Our growth is not only Geographic –

it is holistic. We have expanded our fertility services to 12 centers, launched a state-of-the-art Child Development Centre in Hyderabad, and introduced Butterfly Essentials across 17 hospitals, delivering care beyond the clinical, into every aspect of patient experience. Our integrated hub-and-spoke model enables us to scale responsibly, sustain quality, and build for the future.

Excellence continues to guide every step. From managing medically complex, high-dependency cases to earning NABH and JCI accreditations, we uphold the highest standards of care, safety, and innovation. Through robust training programs and multidisciplinary collaboration, we equip our teams to lead with both expertise and empathy.

As we look ahead, our purpose remains unchanged:

to grow with intent and to deliver excellence – consistently, compassionately, and across every community we serve.



ABOUT US

Pioneers of Excellence in Pediatric and Perinatal Care

Established in 1998, Rainbow Children's Medicare Limited (Rainbow) is one of India's leading multi-specialty pediatric and perinatal hospital chains with strong clinical expertise. Our undeterred commitment to quality, innovation, and excellence enables us to offer high-quality, comprehensive healthcare services, enhancing patient care and outcomes.

VISION

Our aim at Rainbow Children's Hospital is to provide high standards of care for the mother, fetus, newborn, and children, so that none of them is deprived of a tertiary care facility.

MISSION

The measure of our success is in the number of smiling faces.

Under the "Rainbow Children's Hospital" brand, we provide a wide array of pediatric services, including:

Newborn and Pediatric Intensive Care

Pediatric Multi-Specialty Care

Pediatric Quaternary Care (including organ transplantation)

CORE SERVICES AND SPECIALTIES

Our women's care services, offered under the "BirthRight by Rainbow" brand, encompass a full range of perinatal care services, which include:

Routine to Complex Obstetric Care

Multi-Disciplinary Fetal Care

Perinatal Genetics

Fertility Care

Gynecology Services

OUR ACCREDITATIONS

'Gold Seal of Quality Approval'
from the Joint Commission International (JCI)

India's first pediatric hospital to have two flagship hub hospitals, one each in Hyderabad and Bengaluru, awarded with JCI Accreditation

India's first standalone fertility center, BirthRight Fertility, Kondapur, Hyderabad, accreditation in 2022 and re-accreditation in 2025

National Accreditation Board of Hospitals & Healthcare Providers (NABH) Accreditation

13 NABH-Accredited hospitals

JOURNEY

Milestone moments in our journey

1999

- Commenced operations with first hospital at Banjara Hills, Hyderabad

2006

- Started DNB pediatric training program at Banjara Hills, Hyderabad

2007

- Established hospital at Vijayawada
- Broadened our services to include obstetrics and gynecology

2013

- Established spoke hospital at Kondapur, Hyderabad
- Secured investment from CDC Group, UK

2010

- Started first outpatient clinic at Madhapur, Hyderabad

2009

- First spoke hospital established at Vikramপুরi, Hyderabad

2015

- Established spoke hospitals at Hydernagar, Hyderabad, and Hub at Marathahalli, Bengaluru
- Rebranded our perinatal services division as 'BirthRight by Rainbow Hospitals'

2016

- Established two spoke hospitals at Bannerghatta Road, Bengaluru and LB Nagar, Hyderabad
- Set Guinness World Record for assembling the largest gathering of people born prematurely
- Second tranche of investment by the CDC Group, UK
- Established an outpatient clinic at Governorpet, Vijayawada

2017

- Expanded Hub hospital at Madhukar at Malviya Nagar, New Delhi

2018

- Expanded into Chennai by establishing Hub hospital as Guindy

2022

- Listed on BSE and NSE
- Added a spoke hospital at Sholinganallur, Chennai
- Received JCI accreditation for BirthRight Fertility, Kondapur, Hyderabad

2021

- Started liver transplant services at Banjara Hills, Hyderabad
- Established an outpatient clinic at Kailash Metta, Visakhapatnam

2020

- Expanded our presence to Visakhapatnam, Andhra Pradesh
- Established a spoke hospital at Hebbal, Bengaluru
- Performed 1,25,000+ outpatient video consultations during the pandemic

2019

- Started IVF facility at Kondapur, Hyderabad
- Established standalone Cardiac Hospital at Hyderabad (RCHI)
- Acquisition of Rosewalk Healthcare Private Limited, New Delhi

2023

- Established spoke hospital at Financial District, Hyderabad
- Received JCI accreditation for Banjara Hills, Hyderabad

2024

- Received JCI accreditation for Marathahalli, Bengaluru
- Established three spoke hospitals: Himayatnagar, Hyderabad; Sarjapur, Bengaluru; and Annanagar, Chennai
- Expanded our capacity by adding a new block at our Hydernagar Hospital, Hyderabad
- Established an outpatient clinic at Hennur, Bengaluru
- Added IVF services at 8 hospitals

2025

- Received JCI re-accreditation for BirthRight Fertility, Kondapur, Hyderabad
- Received NABH accreditation for Visakhapatnam
- Performed first liver transplant at Guindy, Chennai
- Received liver transplant license at Marathahalli, Bengaluru
- Commissioned Child development center to provide comprehensive developmental care
- Started 'Butterfly Essentials' for Women and Children
- Outpatient clinic opened at Attapur, Hyderabad

- Hospital addition
- Clinic addition
- Service expansion and excellence
- Other achievements

KEY HIGHLIGHTS

Numbers that define us



26
Years of
excellence



19
Hospitals



5
Out-patient clinics



6
Cities



1,935
Bed capacity



~1/3
Bed capacity
allocated
to critical care



910+
Doctors (Including
full time residents
and DNB)



5,500+
Employees

Performance Highlights FY 2024-25

1

Outpatient
clinic opened at
Attapur, Hyderabad

1

Hospital adding
IVF services

98,935

In-patient admissions
(+12.1% y-o-y)

7,239

Pediatric Surgical
procedures
(+2.1% y-o-y)

8,435

Gynecology Surgeries
(+11.3% y-o-y)

17,349

Deliveries
(+9.8% y-o-y)

14,26,733

Out-patient visits
(+11.7% y-o-y)

₹ 15,159 Million

Revenue from Operations
(+16.9% y-o-y)

₹ 4,898.9 Million

EBITDA
(+14.2% y-o-y)

₹ 2,442.3 Million

PAT
(+11.9% y-o-y)

OUR STRENGTHS

Advancing healthcare with robust fundamentals

Our commitment to exceptional patient care is rooted in our strong fundamentals, including a multi-disciplinary approach, round-the-clock consultant-led services, and child-centric hospital environment. Our unique hub-and-spoke model enhances service accessibility, facilitates expansion, and drives efficiencies.

DEDICATED CHILD-CENTRIC HEALTHCARE ENVIRONMENT

Designed thoughtfully for children, our hospitals feature vibrant interiors, playful elements, and comforting spaces that support psychological and emotional well-being. We ensure every interaction is gentle, creating a conducive environment for healing and recovery.



HUB AND SPOKE MODEL

We follow a unique hub-and-spoke operating model where the hub hospitals, centrally located within cities, provide comprehensive outpatient, inpatient care, with a focus on tertiary and quaternary services. These hubs are connected to several smaller spoke hospitals in high-growth catchment areas, providing secondary care, 24/7 pediatric and maternity emergency services, and extensive outpatient care.



UNIQUE DOCTOR ENGAGEMENT MODEL

Our success can be attributed to our ability to attract and retain dynamic, highly experienced doctors and medical professionals. Working full-time exclusively with us, our doctors operate in cohesive teams available round-the-clock, ensuring consistency, continuity, and excellence in healthcare delivery.



MULTI-DISCIPLINARY PEDIATRIC CARE

With all pediatric super-specialties under one roof, we offer holistic care – from routine check-ups and secondary care to advanced NICU and transplant ICUs. Our integrated approach and clinical expertise provide us with a distinct competitive edge, ensuring the best outcomes for complex medical needs.



END-TO-END PERINATAL CARE

From prenatal scans to postnatal support, our integrated perinatal care enhances synergy between pediatric, obstetrics, and gynecology services. This one-stop model ensures a seamless care experience for mothers and newborns.



TRACK RECORD OF SUCCESSFUL PERFORMANCE

Over the years, we have built a solid track record of growth, operational excellence, and financial performance. With a strong balance sheet and cash flows, we are well-positioned to fund our capital expenditure plans entirely through internal accruals.



VISIONARY LEADERSHIP AND MANAGEMENT

Our Board comprises distinguished professionals who bring strategic foresight and deep industry experience to guide our ambitious growth journey. Backed by a seasoned leadership team, we remain focused on continuous innovation and elevating patient care and operational excellence.



COMMITTED TO ESG

We embed Environmental, Social, and Governance (ESG) principles into our core strategy. From responsible operations to impactful community initiatives, we're shaping a future of sustainable growth.



CHAIRMAN'S MESSAGE

Advancing Healthcare with Purpose



AT RAINBOW, CLINICAL EXCELLENCE IS NOT JUST A BENCHMARK – IT IS THE VERY FOUNDATION OF OUR IDENTITY. OUR STEADFAST COMMITMENT TO QUALITY, INNOVATION, AND PATIENT-CENTRIC CARE, CONTINUES TO DRIVE EXCEPTIONAL OUTCOMES ACROSS THE FULL SPECTRUM OF PEDIATRIC AND PERINATAL SERVICES.

DEAR SHAREHOLDERS,

It is my privilege to present the Integrated Annual Report of Rainbow Children's Medicare Limited for the financial year 2024-25. This year holds special significance as we celebrated our 25th anniversary. A silver jubilee is not just a milestone; it is a moment to reflect on the journey that brought us here, one built on compassion, trust, and an unwavering commitment to excellence in pediatric and perinatal care.

This milestone reflects the values we hold dear, the culture we've nurtured, and the resilience that has carried us through the challenges and triumphs alike. To commemorate this occasion, we came together to celebrate the people and the purpose that define us. It was a moment of pride to honor a large number of our team members for their invaluable contributions over the years.

As we look ahead, we do so with deep gratitude, renewed conviction, and a clear sense of purpose. The next phase of our journey holds immense promise, and we remain committed to growing with integrity, staying rooted in our mission, and continuing to deliver care that truly makes a difference.

CLINICAL EXCELLENCE

At Rainbow, clinical excellence is not just a benchmark - it is the very foundation of our identity. Our steadfast commitment to quality, innovation, and patient-centric care continues to drive exceptional outcomes across the full spectrum of pediatric and perinatal services. I would like to highlight a few clinical achievements that are particularly close to my heart. These cases are a reflection of the depth of expertise within our clinical teams and reaffirm our ongoing commitment to delivering the highest standards of tertiary and quaternary care.

In one case, a four-year-old with severe dengue, brain swelling, and dangerously high inflammation markers was admitted. The treatment involved mechanical ventilation, bronchoscopy, and three cycles of plasmapheresis. With coordinated care across multiple specialties, the child made a steady recovery and was discharged healthy after two weeks.

In another complex case, an eight-year-old child presented with neck swelling, sepsis, and multi-organ dysfunction. Emergency renal support, surgical debridement, ventilation, and rehabilitation were

required. The combined efforts of our intensive care and surgical teams led to a full recovery, and the child was discharged in three weeks.

At BirthRight, a 32-year-old first-time mother with a complex medical history – including nephrotic syndrome, chronic hypertension, type 2 diabetes, and ischemic heart disease – successfully delivered under our care. A multidisciplinary team worked in close coordination to ensure a safe pregnancy and delivery, reflecting our strength in high-risk maternal care.

This year, we further strengthened our credentials, with fertility services at Rainbow Children's Hospital Kondapur receiving re-accreditation from JCI and Rainbow Children's Hospital in Visakhapatnam receiving NABH accreditation. With these, we continue to remain the only pediatric hospital chain in India with three hospitals accredited by the Joint Commission International (JCI) and 13 NABH-accredited hospitals across the network.

FINANCIAL PERFORMANCE

FY 2024-25 was a year of strong growth, demonstrating the resilience of our business. We achieved an operating revenue of ₹15,158.7 million, marking a 16.9% year-on-year growth, driven by consistent performance in our mature hospitals and increasing contributions from newer ones (under five years old).

Our hub-and-spoke model grew stronger, with new hospitals seamlessly integrating into the Rainbow network. While upholding high clinical standards and excellent patient care, we efficiently managed operational expenses through disciplined cost control.

Despite the additional costs of expanding new hospitals, we maintained a healthy EBITDA margin of 32.3%, highlighting our scalability and efficiency. Our newer hospitals are progressing as expected, while mature hospitals continue



THIS YEAR, WE FURTHER STRENGTHENED OUR CREDENTIALS, WITH FERTILITY SERVICES AT RAINBOW CHILDREN'S HOSPITAL KONDAPUR RECEIVING RE-ACCREDITATION FROM JCI AND RAINBOW CHILDREN'S HOSPITAL IN VISAKHAPATNAM RECEIVING NABH ACCREDITATION.

to achieve steady organic growth. Overall occupancy for the year stood at 50.5%, with mature hospitals at 57.8% and new hospitals at 36.5%.

EXPANDING OUR REACH

Rainbow currently operates 1,935 beds across 19 hospitals in six Indian cities, with a strategic focus on geographic expansion, particularly in Southern India and the National Capital Region (NCR). Over the next three years, we plan to enhance our capacity by adding ~1,000 beds, strengthening our presence in key markets.

In Bengaluru, we are expanding our hub-and-spoke footprint with a 90-bed brownfield spoke hospital in Electronic City and a 60-bed hospital in Hennur, respectively. Both hospitals are anticipated to commence operations by Q2 FY 2026.

We are also entering new regional hubs with high growth potential. A 100-bed hospital in Rajahmundry is on track to be operational by the first quarter of FY 2026, while a 130-bed hospital in Coimbatore is expected to be operational by the end of FY 2027.

In the NCR, our expansion plans comprise a 300-bed flagship super-specialty hospital at Sector 44 and a 100-bed spoke hospital at Sector 56 in Gurugram. With regulatory approvals already secured, both hospitals are scheduled to commence operations by calendar year 2027, significantly strengthening our footprint in North India.

This strategic expansion aligns with our vision of reinforcing our integrated hub-and-spoke model, improving patient accessibility, and driving excellence in clinical outcomes across our expanding network. At the same time, the Company is actively exploring strategic acquisition opportunities, aiming to collaborate with existing promoters to expand into newer regions. Our focus is particularly on the North East, where there is a significant need for enhanced healthcare infrastructure and services.

BROADENING OUR SERVICES

I would like to take this opportunity to highlight a few key initiatives undertaken over the past year to expand our service offerings:

a. Fertility Care

Recognizing the rising demand, we have expanded our IVF services and now offer advanced reproductive care across 12 facilities, further reaffirming our commitment to accessible, high-quality fertility treatment.

Our IVF services continue to gain strong momentum, driven by clinical excellence, brand trust, and exceptional patient care. As a strategic growth driver, this segment remains well-positioned for continued expansion, and we are confident in our ability to further strengthen our leadership in the fertility space.



OUR COMMITMENT TO DIGITAL TRANSFORMATION IS DRIVING MEANINGFUL ADVANCEMENTS IN BOTH PATIENT CARE AND OPERATIONAL EFFICIENCY. BY EMBRACING TECHNOLOGY ACROSS THE SYSTEM, WE ARE CREATING SMARTER, MORE CONNECTED HEALTHCARE EXPERIENCES.

b. Child Development Center

At Rainbow, we continuously evolve to address the emerging healthcare needs of children and their families, not only through clinical excellence but also by fostering holistic well-being. Cognizant of the increasing prevalence of childhood developmental and behavioral challenges, we have established an ~8,000-square-feet, state-of-the-art Child Development Center at our Banjara Hills campus in Hyderabad. This pioneering facility sets a new benchmark in pediatric developmental healthcare in India, integrating multidisciplinary specialists under one roof to provide comprehensive therapies in a supportive environment.

c. Butterfly Essentials

Aligned with our vision of enhancing the patient experience beyond clinical care, we launched Butterfly Essentials – a specialized initiative offering a carefully curated range of baby and women’s care products. Now operational across 17 hospitals, Butterfly Essentials provides families with convenient access to safe, natural, and hospital-approved essentials, further enriching the overall care experience.

d. Transplant Services

Over the last few years, we have built a strong foundation for quaternary care at our Banjara Hills facility, consistently delivering excellent clinical outcomes. Building on this success, we are now expanding advanced services in Bengaluru and Chennai. Our kidney and bone marrow transplant programs are already underway, and we recently performed our first successful liver transplant in Chennai. With regulatory approvals received, we look forward to formally launching our liver transplant program at Bengaluru soon, further strengthening our quaternary care offerings.

DIGITAL TECHNOLOGIES

Our commitment to digital transformation is driving meaningful advancements in both patient care and operational efficiency. By embracing technology across the system, we are creating smarter, more connected healthcare experiences.

Our advanced hospital information system ensures real-time data access across departments, supporting timely and well-informed decisions for both caregivers and administrators. The deployment of our Patient App and Portal has enhanced accessibility, allowing patients to easily connect with doctors and access their health records – broadening our digital outreach. Furthermore, we have fortified our cybersecurity framework, implementing robust data privacy measures to ensure that patient information remains secure and trustworthy.

Looking ahead, our focus is on mapping the patient journey across all initiatives, enhancing electronic medical record (EMR) capabilities for doctors, and integrating intelligent systems for effective decision-making.

INTERNATIONAL MARKET AND GLOBAL OUTREACH

Like many in the Indian healthcare sector, our international business faced challenges this year due to geopolitical developments and regulatory constraints in key regions, including Bangladesh, Oman, Kenya, Somalia, and Sudan, resulting in a temporary decline in patient inflows. In response, we have intensified engagement with health authorities and local stakeholders to ensure smoother access to care. At the same time, we are expanding our focus to high-potential markets such as the Philippines, Mauritius, Uganda, and Zimbabwe, where we see significant opportunities for growth.

Recognizing the increasing demand for advanced pediatric and maternal healthcare in emerging markets, we

are strengthening collaborations with medical professionals and hospitals across Africa and neighboring countries. These efforts aim to reinforce Rainbow’s position as a trusted healthcare destination while building a more resilient and diversified international patient base.

PEOPLE DEVELOPMENT

Our people are the cornerstone of Rainbow’s success. Cultivating a culture of learning, growth, and well-being is a priority across all levels of the organization. We continue to invest in talent development, ensuring a steady pipeline of qualified doctors, nurses, and paramedics to support our expanding network while maintaining our standards of clinical excellence.

Rainbow takes pride in running one of India’s largest pediatric training programs, offering 230+ DNB (Diplomate of National Board) seats across our network. Our comprehensive training ecosystem also includes super-specialty programs, equipping healthcare professionals to manage complex, high-acuity pediatric and maternal cases. In addition to in-house training, we are exploring the establishment of dedicated training centers for paramedical and nursing staff to address a critical need in India’s healthcare landscape.

We are proud to have been conferred two prestigious recognitions by The Economic Times: Best Pediatric Hospital and Best Organization for Women. As we continue to grow, we remain dedicated to building a future-ready workforce that embodies our core values and supports our mission. Additionally, we are honored to have received the “Great Place to Work” certification for the fifth time in 2025, highlighting our continuous efforts to cultivate a work environment that prioritizes the well-being and growth of our team members.

SUSTAINABILITY AND SOCIAL IMPACT

At Rainbow, we take our role in contributing to society beyond core healthcare delivery seriously. Sustainability and social responsibility are not just ideals; they are integral to the way we operate. We continue to collaborate with local communities and government programs to enhance access to maternal and child healthcare, particularly for underserved populations.

In our commitment to environmental responsibility, we have adopted green hospital practices across our network, focusing on energy-efficient infrastructure, waste reduction, and water conservation to minimize our ecological footprint. Additionally, through health camps, parental education programs, and digital outreach, we actively promote awareness around pediatric and maternal health, ensuring families are empowered with the knowledge they need to make informed health decisions.

In line with our commitment to responsible governance and transparent ESG disclosures, we are continuously enhancing our sustainability data management practices. By focusing on standardizing environmental data collection and optimizing the use of our information systems, we aim to improve both operational efficiency and environmental stewardship.

GROWTH OUTLOOK

Looking ahead, we remain focused on strengthening our leadership in pediatric and perinatal healthcare through a balanced and sustainable growth strategy. Expansion will be driven by scaling mature hospitals through the addition of new specialties and clinical talent, accelerating the performance of newer hospitals, and commissioning three new facilities in FY 2025-26, which will increase capacity by ~13% (250 beds).

The Southern region remains our stronghold, with strong brand recognition and sustained demand driving growth. We will continue to expand our hub-and-spoke network, enhance accessibility, and reinforce our market leadership in key cities.

Our planned entry into Gurugram marks a pivotal step in our North India expansion strategy. As we establish our presence in the NCR, we will assess further opportunities in micro-markets, guided by patient needs and regional healthcare dynamics.

Simultaneously, we are actively exploring strategic acquisitions in the Western and North eastern regions, targeting institutions that align with our clinical standards, operating philosophy, and long-term vision. Our approach emphasizes comprehensive regional coverage, ensuring sustained impact rather than isolated expansions.

Our strong financial position provides the foundation to execute these growth plans effectively. With a robust balance sheet, we are well-positioned to fund our expansion through internal accruals, minimizing reliance on external debt and further strengthening our financial resilience.

ACKNOWLEDGMENTS

In closing, I would like to express my sincere gratitude to my fellow Board members for their valuable guidance, and to our doctors, employees, and leadership team for their dedication and hard work. I also extend heartfelt thanks to our shareholders for their continued trust and support.

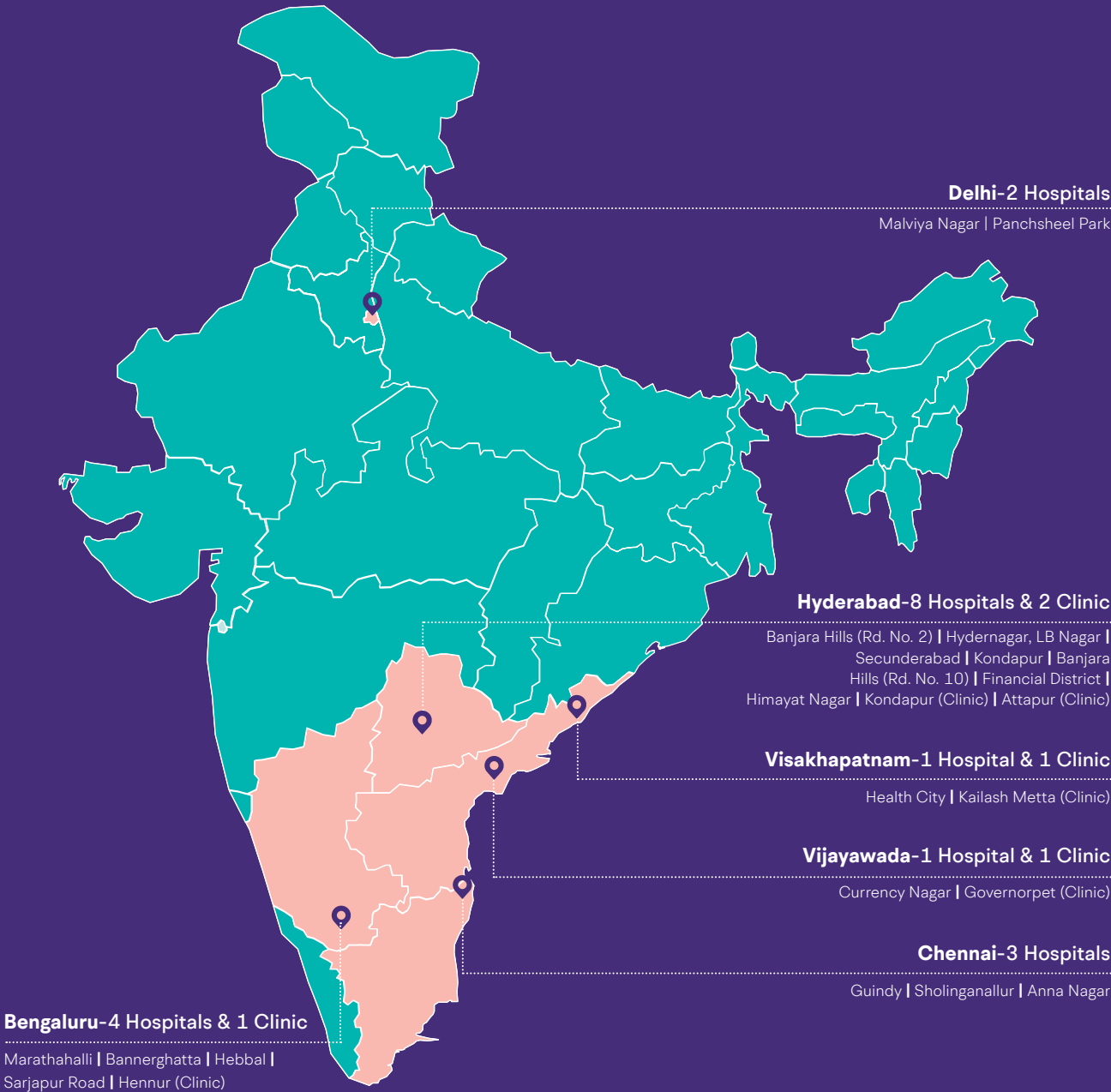
Importantly, I am deeply thankful to the young parents, pediatricians, and the wider community who place their trust in us every day. Their continued faith inspires us to build a more inclusive, community-driven model of healthcare that truly responds to the needs of children and families.

Warm regards,
Dr. Ramesh Kancharla
Chairman and Managing Director

GEOGRAPHIC FOOTPRINT

Expanding presence for improved healthcare accessibility

Having established a strong foothold in the South, we are now expanding our presence in North India, particularly the National Capital Region (NCR). Our focus is on deepening our footprint within key geographies, ensuring greater accessibility and service delivery.



Map not to scale and used for representation only.



Banjara Hills, 1999
#250



Vikramপুরi, 2009
#110



Kondapur, 2013
#50



Hydernagar, 2014
#160



LB Nagar, 2016
#100



RCHI¹, 2019
#110



Financial District, 2023
#100



Himayat Nagar, 2024
#60

Hyderabad
940
Total Bed Capacity



Marathahalli, 2015
#200



BG Road, 2016
#102



Hebbal, 2020
#50



Sarjapur, 2024
#90

Bengaluru
442
Total Bed Capacity



Guindy, 2018
#135



Sholinganallur, 2022
#55



Anna Nagar, 2024
#80

Chennai
270
Total Bed Capacity



Vijayawada, 2007
#130

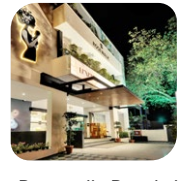


Visakhapatnam, 2020
#129

Andhra Pradesh
259
Total Bed Capacity

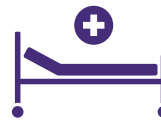


Malviya Nagar, 2017
#130



Rosewalk, Panchsheel Park, 2019
#24

Delhi
24[#]
Total Bed Capacity



1,935[#]
Total No. of Beds

¹ Rainbow Children's Heart Institute, Banjara Hills, Hyderabad
[#] Bed Count excludes the 130 beds at Malviya Nagar where Rainbow Hospitals provide Medical services

OUR OFFERINGS

Comprehensive offerings for quality care

We provide comprehensive pediatric and perinatal healthcare, covering the entire continuum – from maternal care during pregnancy and fetal health to newborn and childhood care. Our offerings also include fertility and gynecology services. This integrated, multidisciplinary approach ensures holistic care across every stage of the patient's journey.



Pediatric Care

PEDIATRIC SECONDARY CARE

- Pediatric Outpatient Services
- Immunizations
- Developmental Screening
- Treatments for Acute and Seasonal Illness

PEDIATRIC & NEONATAL TERTIARY INTENSIVE CARE

- Care of Pre-term Babies, Very & Extremely Low Birth Weight babies
- Sick term babies
- New Born & Pediatric Emergency Transports
- Neonatal Surgical Services
- Inhale Nitric Oxide Therapy
- Advanced Ventilation Including HFOV
- Pediatric Neuro-Critical Care Services
- ECMO Services

PEDIATRIC MULTI-SPECIALTY AND QUATERNARY CARE

- Pediatric Surgery, Urology and Minimally Invasive Surgery
- Pediatric Cardiology and Cardiothoracic Surgery
- Pediatric Neurology and Neuro-Surgery
- Pediatric Hemato-Oncology
- Pediatric Gastroenterology and Liver Diseases
- Pediatric Nephrology
- Pediatric Orthopedics
- Pediatric Pulmonology and Allergy
- Pediatric Organ Transplantation (Liver, Kidney, Bone-Marrow)
- CRRT Services



Extensive Tertiary and Quaternary Care Offerings

DEPARTMENT OF PEDIATRIC SURGERY, UROLOGY AND MINIMALLY INVASIVE SURGERY

Core Expertise

- Neonatal Surgery
- Pediatric Urology and Minimally Invasive Surgery
- Hepato-Biliary Surgeries
- Correction of Congenital Malformation

DEPARTMENT OF PEDIATRIC CARDIOLOGY AND CARDIAC SCIENCES

Core Expertise

- Congenital Heart Disease
- Arrhythmias
- Childhood Hypertension

PEDIATRIC NEUROLOGY AND NEUROSURGERY

Core Expertise

- Epilepsy, Autism and ADHD
- Neuro-Muscular Disorders
- Developmental Disorders
- Congenital Malformations of Nervous System

DEPARTMENT OF HEMATO-ONCOLOGY

Core Expertise

- Childhood Leukemia
- Brain Tumors
- Solid Tumors
- Diagnosis and Treatment of Various Hematological Disorders
- Bone Marrow Transplant

DEPARTMENT OF PEDIATRIC GASTROENTEROLOGY

Core Expertise

- Acute and Chronic Liver Disease
- Food Intolerance / Allergies
- GERD (Gastro Esophageal Reflux Disease)
- Pancreatitis
- Liver Transplant

DEPARTMENT OF PEDIATRIC NEPHROLOGY

Core Expertise

- Acute and Chronic Renal Failure
- Nephritis and Nephrotic Syndrome
- Urinary Tract Infections
- Acute and Long term Dialysis
- CRRT
- Plasmapheresis
- Kidney Transplant

DEPARTMENT OF ORTHOPEDICS

Core Expertise

- Childhood Trauma
- Correction of Congenital Deformities
- Ligament Repairs

DEPARTMENT OF PULMONOLOGY AND ALLERGY

Core Expertise

- Asthma
- Acute and Chronic Cough
- Chronic Lung Disease
- Sleep Apnea

PEDIATRIC TRANSPLANT PROGRAM

Core Expertise

- Bone Marrow Transplant
- Liver Transplant
- Kidney Transplant



Women Care

FETAL MEDICINE

- Targeted Imaging for Fetal Anomalies (TIFFA Scan)
- Chromosome Screening
- Prenatal Testing and Diagnosis
- Pediatric Fetal Growth Assessments and Well-Being
- Fetal Therapies like Intra-Uterine Transfusions, Laser Interstitial Ablations, etc.

OBSTETRICS

Pregnancy and Childbirth

- Prenatal Care including Neonatal Specialty Care, Diagnostics, Advanced Imaging and NICUs

HIGH-RISK PREGNANCY CARE

- Complex Obstetric Surgeries
- Multi-Disciplinary Care
- Maternal Intensive Care
- Supports Natural yet Painless Birthing

GYNECOLOGY

- Ovarian Cysts and Polycystic Ovarian Syndrome (PCOS)
- General Gynecologic Conditions and Pelvic Pain
- Minimal Access Surgery and Advanced Gynecological Surgery
- Birth Control Needs

FERTILITY CARE

- Intrauterine Insemination (IUI)
- In-Vitro Fertilization (IVF)
- Intracytoplasmic Sperm Injection (ICSI)
- Intracytoplasmic Morphologically Selected Sperm Injection (IMSI)

AWARDS AND ACCOLADES

Recognized for Excellence

ACCREDITATIONS

Rainbow Children's Hospital at Banjara Hills, Hyderabad and Marathahalli, Bengaluru has been accredited with 'The Gold Seal of Approval' by Joint Commission International (JCI), a trusted symbol of quality and patient safety worldwide.

Rainbow Children's Hospital & BirthRight at Sholinganallur, Chennai and Hebbal, Bengaluru received accreditations from the National Accreditation Board for Hospitals & Healthcare Providers (Guin), recognized globally as a standard for healthcare excellence.



Guinness Book of World Record Holder for the largest gathering of people Born Prematurely – 2016



South East Asia's Smallest Baby Born at Rainbow Children's Hospital, Hyderabad - 2018



Certified for the Fifth Year



For Four Consecutive Years



Rainbow Children's Hospital Marathahalli, Bengaluru Accredited by JCI in 2024



BirthRight Fertility by Rainbow Children's Hospital Kondapur, Hyderabad Accredited by ICI in 2022



India's first NABH Accredited Corporate Children's Hospital



Awarded Best Children's Hospital in India by CNBC TV 18 and ICICI Lombard - 2010, 2014, 2018



The Best Multi Speciality Hospital in Fertility and IVF Category 2018-2019



Awarded an Leader in Safe Delivery



Best Organisation for Women 2025



Rainbow Children's Hospital & BirthRight, Secunderabad & Marathahalli World's Best Specialized Hospitals 2025



The Week & Hansa Research Survey – India's No.1 Pediatrics Standalone Hospitals – 2021 & 2022



Best Hospital for Mother & Childcare Best Hospital for Obstetrics and Gynecology 2024



Ranked No. 1 in National Single Speciality - Pediatrics Times Critical Care Survey 2022, 2023



Ranked No. 1 in Obstetrics & Gynecology Hospital in – Times Critical Care Survey-2021



Rainbow Children's Heart Institute Hyderabad. World's Best Specialized Hospitals 2025



Pharmacie De Qualite' Certification from the Bureau of De Veritas – Rainbow Children's Hospital, Banjara Hills – 2017

OPERATING ENVIRONMENT

Adapting to evolving industry trends

India's healthcare sector is experiencing rapid transformation, driven by rising demand for specialized services, increasing awareness, and adoption of digital technologies. These trends are reshaping healthcare delivery, creating opportunities for providers to expand access, enhance outcomes, and deliver high-quality care.

VAST AND UNDERSERVED PEDIATRIC MARKET

Children under the age of 15 make up nearly 29% of India's population, underscoring the pressing need for specialized pediatric and maternity care. Yet, India's pediatric sector remains nascent, especially when compared to countries like the United States and China. In contrast, specialized pediatric hospitals are only now beginning to emerge in India, creating a significant market gap. The Indian pediatric healthcare market size reached USD 441.6 million in 2024 and is expected to reach USD 654.2 million by 2033, exhibiting a CAGR of 4.46% during 2025-2033.

RISING INCOMES AND AFFORDABILITY

India is undergoing profound shifts in demographic trends. Rapid economic growth has propelled around 73 million households into the middle-class category over the past decade, significantly boosting their purchasing power. By 2026, it is projected that 8% of Indians will earn more than USD 12,000 annually. This rise signals a shift towards greater affordability and a growing preference for premium healthcare services. As the middle class expands, more families are expected to seek high-quality care for maternal and child health needs.

Newborn Intensive Care Unit

2



CORPORATE OVERVIEW
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PREMIUMIZATION IN HEALTHCARE

Rapid urbanization is driving a shift in consumer behavior, with growing demand for premium, personalized healthcare experiences. Further, increasing awareness, improved literacy rates, and preference for preventive care are propelling demand for specialized child and maternal healthcare.

INCREASING PENETRATION OF HEALTH INSURANCE

Health insurance penetration is set to grow rapidly in India, strengthening access to private healthcare services. Factors such as rising premiums per person, increased employer participation, and deeper penetration of government-backed schemes like Ayushman Bharat, are driving this expansion.

GROWING OPPORTUNITY IN MEDICAL TOURISM

India has emerged as a global leader in medical tourism, offering advanced medical care at competitive prices. In 2024, the Indian medical tourism market was valued at USD 7.69 billion and is projected to reach USD 14.31 billion by 2029, reflecting a CAGR of 13%. This growth will be fueled by the country's world-class healthcare infrastructure, skilled medical professionals, and significantly lower treatment costs compared to Western countries. India's global standing is further validated by its 10th place ranking on the Medical Tourism Index (MTI) out of 46 destinations worldwide. International patients prefer India for specialized treatments, high standards of care, and a patient-first approach. As awareness and access expand, India's reputation as an attractive healthcare destination continues to rise.

TECHNOLOGY ADVANCEMENTS

Digitization is revolutionizing Indian healthcare landscape. Technologies such as telemedicine, Artificial Intelligence (AI), blockchain, and Internet of Things (IoT) enable more efficient, personalized, and scalable service delivery. These innovations are not only enhancing patient experiences but also boosting operational efficiency and clinical outcomes.

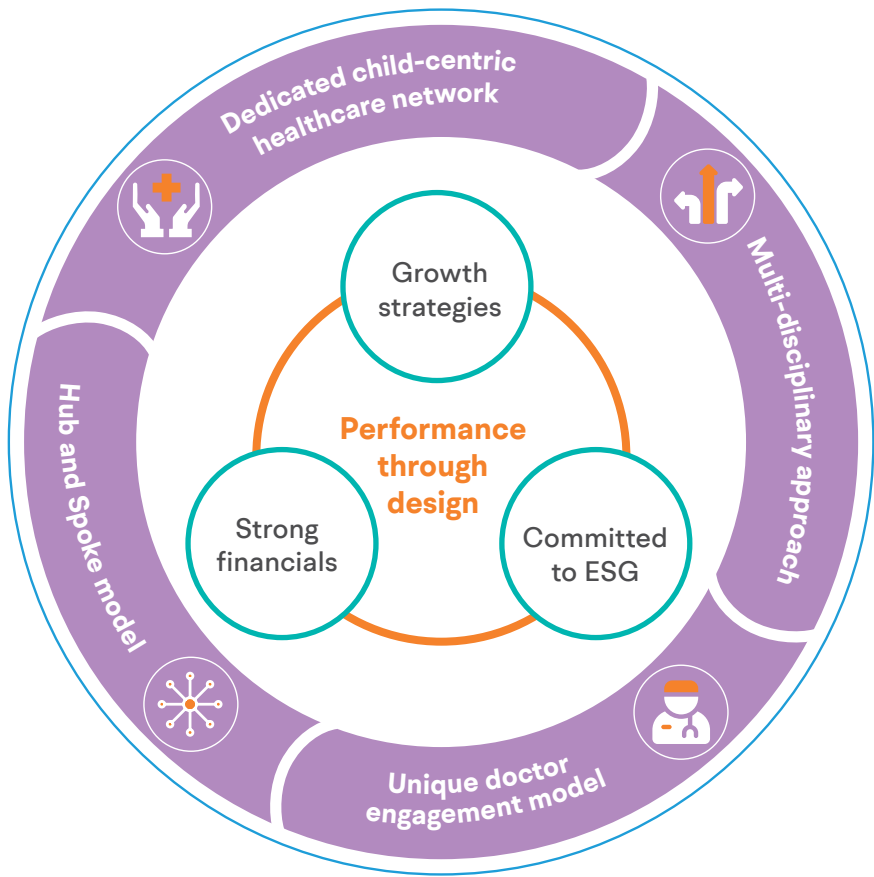
BUSINESS MODEL

Integrated model for holistic value creation

Input

- Financial Capital**
- Disciplined strategic investments and capital allocation
- Manufactured Capital**
- 19 Hospitals
 - 5 Clinics
 - 1,935 Beds
 - Best-in-class infrastructure and advanced medical equipment
- Intellectual Capital**
- Leading brands – 'Rainbow Children's Hospital' and 'BirthRight by Rainbow Hospital'
 - Clinical excellence
 - JCI and NABH accreditations
 - Digital capabilities and systems
 - International alliances
 - 231 Trainee doctors pursuing DNB, postgraduate and other fellowship programs in Rainbow network
 - KONAR-MF Patent
- Human Capital**
- 3,972 Permanent employees
 - 910+ doctors
 - Elite consultant pool
 - Experienced leadership team
 - Regular training and development sessions for our people
- Social & Relationship Capital**
- Trusted stakeholder relationships and corporate reputation
 - Constructive relationships within the healthcare sector
 - Partnerships with non-profit organizations
- Natural Capital**
- Sustainable practices
 - 5,88,565 Units of solar power generation

Strategic process



VISION

Our aim at Rainbow Children's Hospitals is to provide high standards of care for the mother, fetus, newborn and children so that none of them is deprived of a tertiary care facility.



MISSION

The measure of our success is in the number of smiling faces.

Output

- Financial Capital**
- ₹ 15,159 million Revenue
 - ₹ 4,899 million EBITDA
 - ₹ 2,442 million PAT
- Manufactured Capital**
- Services offered
 - Child Care
 - Comprehensive Super-Specialty Pediatric Care
 - Women Care
 - Fertility Care
 - Diagnostic Services
 - 14,26,733 Outpatient visits
 - 98,395 Inpatient admissions
- Intellectual Capital**
- 51 - Kidney, Liver and Bone Marrow Transplantation
 - 1,500+ cardiac surgeries since inception
 - 50+ Research papers published
- Human Capital**
- 62% Women workforce
 - Trained doctors
 - Skilled nurses and medical staff
 - Career growth
 - Opportunity to relocate
- Social & Relationship Capital**
- Educational support to schools
 - Free Medical Camps
 - Collaborated with YouTube to create informative videos addressing children's and women's health issues
 - Various RWA and corporate tie-ups
- Natural Capital**
- 7,604 MT Total carbon emission reduction through direct (solar panels) and indirect (open access) methods
 - 69 Mn Liters Total water recycled
 - 339.17 MT Bio-waste disposed safely

Outcome

- Constant and sustained growth in revenue and profitability
- Strong balance sheet and liquidity position
- Increased operational efficiency
- Expansion of facilities
- Management of complex medical cases
- Development of sustainable technologies and processes
- Building strong brand value and recall
- Increased retention rate
- Safe, inclusive and open work environment
- Diverse and committed workforce
- Sustained and consistent value creation for stakeholders
- Uplifting the communities in which we operate
- Reduced environmental footprint
- Resource efficiency and waste minimization

SDG Linkage



STAKEHOLDER ENGAGEMENT

Responding proactively to stakeholder needs

We actively engage with key stakeholder groups that influence our strategy and long-term success. Our approach prioritizes transparent, meaningful, and consistent communication to understand their expectations and address concerns proactively. This structured engagement framework not only strengthens relationships but also enhances patient experiences and supports overall value creation.

Stakeholder	Key Expectations	Mode Of Engagement	How We Measure Success	Capital Linkage
 Patients/ Customers	- Quality/ efficiency of service - Cost effectiveness - Hygiene in environment - Innovation in services/products - Timely availability of services - Patient data privacy (restrict personal data use/shred documents)	- CRM - Daily/weekly/monthly or continuous monitoring based on feedback system depending on the nature of stakeholder engagement - Website and social media - Company's Public Relations Officer - Customer support desk - Patient feedback system - Patient satisfaction survey	- Positive feedback complaints/ constructive feedback, with regards to price and quality - Patients' downtime - Success rate of treatments/procedures - Repeat patients - Turnaround time - Patient satisfaction score	
 Government	- Legal compliance - Regulatory compliance - Healthcare for all	- Compliance department within the Company - Compliance with drugs and healthcare norms and regulations - Annual reports - Filing of returns - Report submissions - Compliance to ESG - Timely payment of taxes - Press release	- Number of litigations - Non-compliance penalty, if any	

Stakeholder	Key Expectations	Mode Of Engagement	How We Measure Success	Capital Linkage
 Investors	- Financial performance - Operational performance - Corporate governance - Management strategies and outcomes - Dividends	- Integrated Annual Report - Website - Quarterly and annual presentations and earning calls - Annual General Meeting - Information provided about financial and operational management - Announcements to stock exchanges - Investor Relations communications	- Management meetings - Investor complaints - Feedback from Investors - Response during Analyst calls	
 Employees	- Physiological safety - Learning and growth opportunities - Sense of belongingness	- Robust learning journeys - Continuous performance development - Competitive compensation and benefits - Intranet Portal - Cultural events - Structured employee surveys - Periodic townhalls to enable bottom-to-top communication - Culture of service orientation with each other	- Retention figures - Average organization performance score - Internal talent mobility vs. external hiring for open positions - Promotion % - GPTW survey scores - Number of employee grievances	
 Suppliers	- Number of orders - Competitive pricing - Consistency of orders - Timelines - Payment methods - Other terms and conditions of delivery	- Procurement policy - Purchase committee - Logistics committee - Regular meetings between supplier and the management - Timely payments - Transparent processes - Negotiations - Measuring deliverables	- Positive feedback - Complaints/ constructive feedback - Credit period - Stock out percentage - Timely delivery - Repeat purchase percentage	
 Society	- Analysis of healthcare needs of the society - Identifying the gap between demand and supply - Prevention of illnesses - Need for private practitioners and hospitals to work cohesively	- Social media - CSR - Community building sessions - Awareness campaigns - Health surveys - Discussions on medical issues - Press conferences - Health talks and camps - Fulfilling health requirements	- Positive feedback - Complaints/ constructive feedback - Number of attendees for public events - Responses on social media	

STRATEGY

Accelerating growth with prudent strategies

We continue to execute our multi-faceted strategy aimed at delivering superior patient outcomes, extending reach, enhancing efficiencies, and driving sustainable growth. Our focus remains on accelerating momentum across our key priorities while introducing new strategies.



01 Strengthen Tertiary and Quaternary Pediatric Services

We focus on continuously expanding our tertiary and quaternary care offerings through our hub hospitals, which serve as centers of excellence for specialized treatments. This enables us to deliver critical care to the most vulnerable patients.

Key Achievements in FY 2025:

- Established a specialized Transplant Intensive Care Unit (ICU) at our flagship hospital in Hyderabad, enhancing our capability for advanced surgical and post-operative care in pediatric organ transplantation
- Launched dedicated liver transplantation programs in Bengaluru and Chennai, strengthening our quaternary care capabilities
- Hired a dedicated liver transplant surgeon and expanded the pediatric gastroenterology team across Hyderabad, Chennai, and Bengaluru, ensuring consistent access to expert care
- Established an 8,000 sq. ft. multidisciplinary Child Development Center at Banjara Hills, Hyderabad for addressing developmental and behavioral challenges among children, ensuring holistic pediatric care
- Performed the world's first fetal balloon aortic valvuloplasty using a closure device, successfully treating a 27-week fetus with severe aortic stenosis in utero, marking a significant milestone in fetal cardiology

02 Further Our Comprehensive Perinatal Services

Strengthening our perinatal care offerings through enhanced training and expansion of services and geographical footprint remains a key strategic priority.

Key Achievements in FY 2025:

- Added IVF services in 1 hospital, bringing the total to 12 facilities
- Launched Butterfly Essentials across 17 hospitals. A specialized offering a wide range of products tailored to the unique needs of children and women
- Enhanced IVF offerings through investments in infrastructure, technology, and specialized personnel





05 Drive Performance Efficiencies

We are committed to enhancing operational efficiency through process optimization, technology integration, talent development, and improved capacity utilization.

Key Achievements in FY 2024-25:

- Hired dynamic and highly experienced senior leaders aligned with our long-term strategic goals
- Built a high-performing sales and marketing team, strengthening capabilities across all units to drive patient outreach and market penetration
- Invested in hiring the right clinical talent across both new and existing locations to develop new specialties and enhance existing services
- Adopted advanced technology solutions to streamline processes, optimize inventory levels, reduce wastage, and improve overall efficiency
- Optimized spending on advertising and branding, ensuring maximum visibility and return on investment

03 Grow Our Presence Through Hub-and-Spoke Networks

We aim to replicate our successful hub-and-spoke model in high-potential cities, while increasing hub capacity and evaluating both organic and inorganic growth opportunities in new locations.

Key Achievements in FY 2025:

- Secured building plan approvals for a spoke hospital in Gurugram for commencing operations in the next 2–2.5 years, expanding our footprint in North India
- Launched a new outpatient clinic in the densely populated residential area of Attapur, Hyderabad

06 IT Transformation

Leveraging digital tools to improve patient convenience, streamline operations, and extend our reach remains a strategic focus.

Key Achievements in FY 2024-25:

- Rolled out new Hospital Information Systems (HIS) for enhanced digital capabilities
- Implemented Electronic Medical Records (EMR) systems across our hospital network, digitizing patient health records and streamlining clinical workflows
- Launched a new payment gateway, website, and app; introduced Business Intelligence (BI) dashboards to support data-driven decision-making

04 Timely Execution of Projects

Strategic project planning and efficient resource allocation ensure timely commissioning of new facilities and services. This approach enhances patient outcomes and our reputation for efficiency and reliability.

Key Achievements in FY 2025:

- Ongoing hospital projects in Electronic City and Hennur, Bengaluru, and Rajahmundry, Andhra Pradesh are on track, with these facilities anticipated to commence operations by the end of FY 2026
- Commenced project work for a regional hub hospital in Coimbatore

07 Grow International Business

With strategically located hospitals in South India and the National Capital Region, we are well-positioned to tap the growing medical tourism opportunity and provide high-quality care.

Key Achievements in FY 2024-25:

- Addressed challenges in international markets by forming strategic partnerships to enhance market access and operational effectiveness

RISK MANAGEMENT

Strengthening resilience through effective risk management

Effective risk management is crucial for an organization's success. We regularly assess our risk profile to stay aligned with evolving market dynamics and emerging challenges. The stability of our risk landscape reflects the strength of our mitigation strategies and operational framework.

RISK MANAGEMENT FRAMEWORK

We have established a robust risk management framework to identify, assess, monitor, and mitigate risks across our operations. This framework spans strategic, operational, financial, and compliance areas and is deeply embedded within our organizational culture, guiding informed decision-making at every level.

RISK MANAGEMENT GOVERNANCE

To oversee and steer our risk management practices, the Board of Directors has constituted a dedicated Risk Management Committee (RMC), chaired by an Independent Director. The RMC regularly reviews the effectiveness of our framework and provides updates to the Board on risks and mitigation strategies.

RISK MONITORING AND MITIGATION MECHANISMS

Guided by a Risk Management Charter approved by the RMC, our risk oversight mechanism includes a structured and regularly updated risk management process. Key elements include:

- Concurrent audits, process walkthroughs, and risk-based internal audit reviews
- Continuous monitoring of internal controls and rectification of process gaps
- Inputs drawn from risk perception surveys, environmental scanning, and stakeholder feedback

RISK REGISTER AND ASSESSMENT

Each functional head maintains a detailed Risk Register that evaluates potential risks based on likelihood and impact. This includes root cause analysis, risk indicators, current status, timelines for mitigation, and mechanisms for ongoing monitoring. Operational leaders are responsible for identifying new risks, while status updates and progress on mitigation efforts are periodically reported to the RMC. The Committee reviews these updates on a half-yearly basis, offering guidance and recommendations where necessary.

TECHNOLOGY FOR RISK MANAGEMENT

- Adopted HIS, HRMS, and SAP systems for real-time data analytics
- Digitized medical records for patient data management
- Robust IT security, firewalls security, and insurance against all cyber risks
- Master data management (MDM) has been enforced for all employees and third-party vendors who access our network
- Medical boards are defined for identifying and recommending emerging technology/equipment/surgical techniques/procedures/best practices that can be adopted. Quality assurance committee reviews and provides its approval before any use of new technology

MANAGING CYBERSECURITY RISK

As part of our commitment to safeguarding critical data and ensuring operational continuity, we have established a comprehensive cybersecurity framework. This includes rigorous Vulnerability Assessment and Penetration Testing (VAPT) to identify and address potential system weaknesses.

To further strengthen our digital defenses, we are actively implementing Business Continuity and Disaster Recovery (BCDR) plans, ensuring preparedness against unforeseen disruptions. Our cybersecurity infrastructure includes the deployment of advanced perimeter protection systems such as firewalls and the configuration of network and communication devices with structured access controls.

We have also enforced stringent security protocols on servers, focusing on secure authentication, authorization, and controlled database access for all critical applications. To bolster our defenses against threats like ransomware and phishing, we have rolled out a Cybersecurity Maturity Assessment framework and adopted robust data encryption protocols.

Further, we are fostering a cyber-aware culture across the organization. Through regular training sessions and awareness programs, we equip our teams with the knowledge to identify risks and follow cybersecurity best practices.

Financial Capital



Propelling growth through prudent financial management

Prudent financial capital management is crucial for long-term growth and value creation. By managing our resources with discipline, diligence, and foresight, we enable strategic investments in new facilities to support geographic expansion, upgrade our service offerings to enhance patient outcomes, and strengthen the foundation of our sustainable business model.

PERFORMANCE REVIEW

FY 2024-25 was a pivotal year, marked by resilient financial performance, strategic investments, and strong operational execution, even amid external challenges. We delivered total revenue of ₹ 15,159 million, reflecting 17% growth compared to ₹ 12,969 million in FY 2023-24. EBITDA for the year stood at ₹ 4,899 million, up 14% from ₹ 4,289 million in FY 2024. Profit After Tax (PAT) reached ₹ 2,442 million, a solid 12% growth from ₹ 2,183 million in FY 2023-24.

Our performance underscores the strength and scalability of our business model, supported by the steady organic growth of mature hospitals and the rising contributions from newer hospitals under five years old. Our hub-and-spoke network continues to strengthen, with seamless integration of new units ensuring consistency in clinical standards and operational excellence across locations.

Despite the cost pressures associated with expanding new hospitals,

we maintained a healthy EBITDA margin of 32%, reflecting disciplined cost management and operational efficiency. Mature hospitals remained consistent performers, while newer hospitals progressed in line with expectations.

Notably, FY 2024-25 saw meaningful contributions from new initiatives, such as the expansion of IVF services, the launch of Butterfly Essentials, and the establishment of the Child Development Center, which together enhanced both revenue streams and patient value propositions.

The ROCE and ROE declined to 26.95% and 17.85%, respectively, compared to the previous year. This decline was primarily due to our high capital investments in greenfield hospitals and new projects. While these investments have temporarily expanded the capital base, their financial contributions will materialize gradually as these units ramp up and achieve optimal utilization. We expect ROCE and ROE to improve in the coming years as the revenue contribution from maturing units accelerates.

As of March 31, 2025, we maintained a strong and debt-free balance sheet, with cash, cash equivalents, fixed deposits, and mutual fund investments totaling ₹ 6,989 million and zero borrowings. This solid financial position reflects our disciplined financial management, strategic capital allocation, and consistent operational excellence.

INTERNATIONAL BUSINESS

Our international business faced persistent headwinds due to macroeconomic and regulatory challenges across several key markets. Countries such as Bangladesh, Oman, Kenya, and Sudan experienced a significant reduction in the issuance of medical travel permits, leading to subdued patient inflows and impacting the international segment's revenue contribution.

Despite these challenges, we remain confident in the long-term potential of our international operations. Rainbow continues to enjoy a strong recognition across multiple overseas markets as a brand, and we are actively engaging with healthcare facilitators, medical tourism agencies, and diplomatic networks to revive and expand our international outreach. We plan to explore strategic partnerships, digital outreach initiatives, and regional collaborations, with a particular focus on East Africa, South Asia, and the Middle East. We are also committed to strengthening our domestic centers of excellence, ensuring they remain attractive destinations for international patients seeking complex pediatric and maternal care.



STRATEGIC PILLARS
DRIVING GROWTH

Network Expansion & Capacity
Augmentation

- Focused on expanding geographic reach through new hospitals and increasing capacity across existing facilities to serve more patients efficiently

Service Line Diversification

- Extended beyond core pediatric and neonatal services with strong momentum in fertility (IVF), backed by the JCI re-accreditation of our Kondapur center
- Expanded quaternary care offerings, including organ transplants and advanced pediatric surgeries, highlighted by our first liver transplant in Chennai, contributing to revenue enhancement

Operational Maturity of New
Hospitals

- Achieved steady improvements in occupancy rates and Average Revenue Per Occupied Bed (ARPOB) at newer hospitals, with several units progressing toward breakeven and contributing meaningfully to topline growth

Ancillary Services Expansion

- Rolled out Butterfly Essentials across 17 hospitals, creating incremental revenue streams and strengthening our holistic care delivery model for women and children

Enhanced Hub-and-Spoke
Integration

- Strengthened alignment between spoke hospitals and regional hubs, driving increased specialty and complex case referrals and improving utilization at tertiary centers

Digital & Outreach Initiatives

- Scaled up digital engagement, patient education, and community outreach programs, boosting brand visibility, patient trust, and driving higher footfalls, especially in emerging geographies

DISCIPLINED AND
DEBT-FREE CAPITAL
EXPENDITURES

Our capital allocation strategy was aligned with our expansion roadmap, ensuring funds were strategically deployed into high-return areas, including the commissioning of new hospitals, acquisitions, and the development of advanced tertiary and quaternary care capabilities.

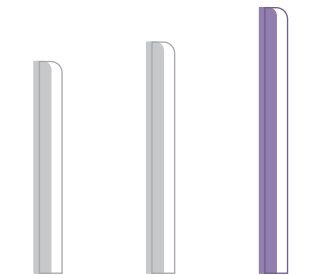
In FY 2024-25, we undertook a total capital expenditure of ₹1,456 million, invested to support facility expansion, service enhancements, and new growth initiatives. Importantly, all these investments were funded entirely through internal accruals and cash reserves, preserving the company's debt-free status.

Leveraging our robust cash flow and internal accruals, we are well-positioned to complete all planned capital expenditures without resorting to debt financing. This approach ensures financial stability and minimizes risk, enabling us to maximize growth and operational efficiency.

Looking ahead, we will continue to allocate capital prudently and efficiently, ensuring a balanced focus on growth, profitability, and return optimization, while strengthening our healthcare services across India.

Revenue (Turnover)
(₹ million)

11,736 12,969 15,159

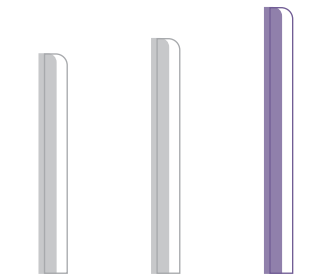


FY 2023 FY 2024 FY 2025

Y-O-Y ⬆ 17%

EBITDA
(₹ million)

3,964 4,289 4,899

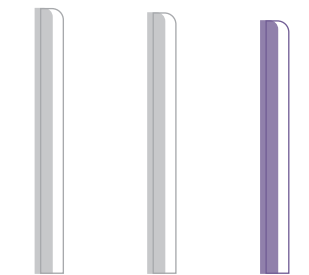


FY 2023 FY 2024 FY 2025

Y-O-Y ⬆ 14%

EBITDA Margins
(%)

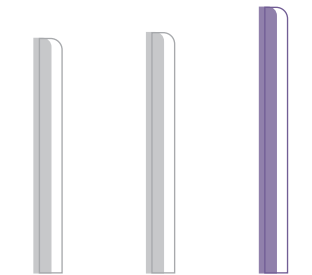
33.8 33.1 32.3



FY 2023 FY 2024 FY 2025

PAT
(₹ million)

2,124 2,183 2,442

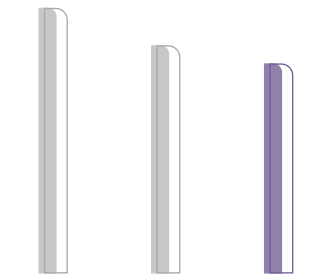


FY 2023 FY 2024 FY 2025

Y-O-Y ⬆ 12%

PAT Margins
(%)

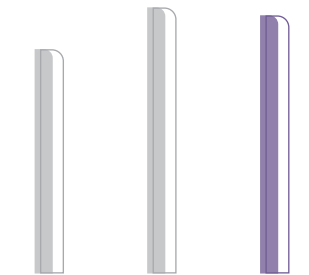
18.1 16.8 16.1



FY 2023 FY 2024 FY 2025

ROCE
(%)

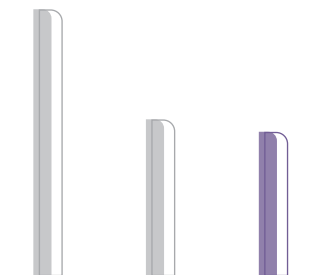
24.6 27.63 26.95



FY 2023 FY 2024 FY 2025

ROE
(%)

25.4 18.7 17.9



FY 2023 FY 2024 FY 2025

Dividend per Share
(₹)

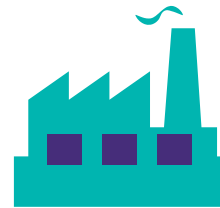
3 3 3



FY 2023 FY 2024 FY 2025



Manufactured Capital



Strengthening the foundation of exceptional care

Our facilities, infrastructure, and cutting-edge medical equipment form the backbone of our ability to deliver excellent healthcare services and patient outcomes. We are focused on expanding our hospital network and clinical capabilities to remain at the forefront of medical innovation and deliver world-class pediatric and maternal care.

CAPACITY EXPANSION

In FY 2024-25, we made remarkable strides in strengthening our hospital network to elevate accessibility and care delivery. We are broadening our reach by adding new hospital units, increasing overall capacity and bringing specialized pediatric and maternal care to more regions.

ADVANCED MEDICAL EQUIPMENT AND TECHNOLOGY

Continuous investments in cutting-edge medical technologies remain a cornerstone of our strategy. Our hospitals are equipped with the latest Neonatal Intensive Care Units (NICUs), specialized surgical suites, and advanced diagnostic tools, ensuring delivery of the most effective, precise, and efficient care to our patients.

ENHANCEMENT OF FACILITIES AND SERVICES

Infrastructure upgradation is central to maintaining the highest standards of care. We modernized patient rooms, expanded intensive care units, and integrated next-generation diagnostic and therapeutic equipment, creating a congenial environment that fosters patient recovery and well-being.

OPERATIONAL EXCELLENCE

We prioritize operational excellence by leveraging advanced technologies and streamlined processes to optimize resource utilization, reduce downtime, and improve overall efficiency. These efforts not only enhance the patient experience but also generate meaningful cost savings and operational effectiveness.

COMMITMENT TO SUSTAINABILITY

We remain committed to integrating sustainability across our operations. Our initiatives include adopting green building materials, implementing energy-efficient lighting and HVAC systems, and running waste and water reduction programs, all aimed at minimizing environmental impact while upholding the highest quality of healthcare services.



HUB-AND-SPOKE MODEL

Our hub-and-spoke model is pivotal to our strategy of delivering specialized pediatric and maternal healthcare efficiently across regions. At the heart of this model are our hub hospitals – large, super-specialty centers in cities like Hyderabad, Bengaluru, and Chennai – offering advanced tertiary and quaternary care.

Supporting these hubs are strategically located spoke hospitals and clinics in key catchment areas such as Visakhapatnam and Vijayawada, providing accessible primary and secondary care closer to patients' homes. This integrated network enhances accessibility, reduces patient travel times, and strengthens our referral ecosystem, ensuring timely transfers for complex cases.

Going forward, we plan to replicate this successful model across new regions, expanding our national footprint and deepening our impact on pediatric and perinatal care in India. This expansion will not only broaden our coverage but also enhance patient experiences through improved access to quality healthcare services.

 **OUR HUB-AND-SPOKE MODEL IS PIVOTAL TO OUR STRATEGY OF DELIVERING SPECIALIZED PEDIATRIC AND MATERNAL HEALTHCARE EFFICIENTLY ACROSS REGIONS.**

HYDERABAD



CHENNAI

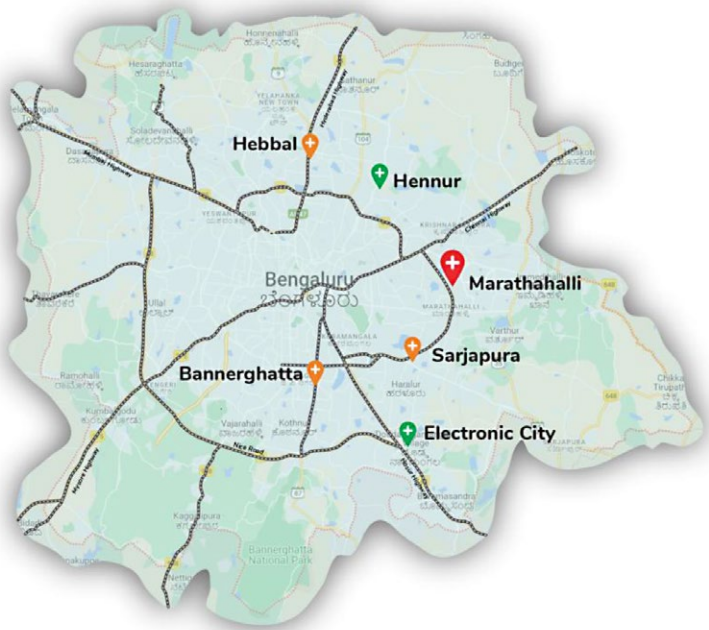


● Hub ● Spoke ● Upcoming Hospital

*Hub Hospital is centrally situated, providing accessibility from all parts of the city

*Spoke hospitals are situated in areas experiencing rapid growth and development, strategically located to ensure convenient access for nearby towns and cities

BENGALURU



BENEFITS OF HUB-AND-SPOKE MODEL



Synergy

Hubs handle complex cases, while spokes manage broader clinical services, creating a powerful referral and care ecosystem.



Cost Efficiency

Optimal capital investment at spokes enables wider market reach and stronger financial returns.



Comprehensive Coverage

A robust network enhances regional penetration, supported by efficient patient transport and streamlined operations.

UPCOMING HOSPITALS OVERVIEW

EXPANSION IN KARNATAKA, ANDHRA PRADESH, AND TAMIL NADU

Hennur Spoke Hospital and Electronic City Spoke Hospital, Bengaluru, Karnataka

- Two new spoke hospitals – Electronic City (90 beds) and Hennur (60 beds)
- Expected to commence operations by the end of Q2 FY26
- Enhance our healthcare services in Bengaluru, focusing on pediatric and perinatal care

Regional Spoke Hospital, Rajahmundry, Andhra Pradesh

- Final stages of development for a hospital with around 100 beds
- Expected completion by the end of Q1 FY26
- Aims to meet the healthcare needs of the region with comprehensive pediatric and perinatal services

Regional Hub Hospital, Coimbatore, Tamil Nadu

- Commenced project work for a 130-bed regional hub hospital
- Completion anticipated by the end of FY 2026-27
- Deepen our footprint in South India, catering to the local demand for high-quality healthcare

EXPANSION IN NORTH INDIA

Hub Hospital, Sector 44, Gurugram, Haryana

- Planned with around 300 beds
- Expected to commence operations by 2027
- Strengthen our foothold in North India

Spoke Hospital, Sector 56, Gurugram, Haryana

- State-of-the-art facility with around 100 beds
- Expected to commence operations by 2027
- Strengthen our foothold in North India

These projects reflect our commitment to expanding our network across key regions, improving patient accessibility, and delivering exceptional healthcare. We are also pursuing acquisition opportunities, aiming to collaborate with existing promoters to expand into newer regions. Our focus is particularly on the Northeast, where there is a significant need for enhanced healthcare infrastructure and services.

EXPANDING SPECIALIZED SERVICES

FERTILITY CARE

We have expanded our IVF offerings to 12 centers, reinforcing our commitment to accessible, high-quality fertility care. This segment continues to gain strong momentum, fueled by clinical expertise, brand trust, and superior patient outcomes. Our fertility services are well-placed for continued expansion as we strengthen our leadership in this segment.

CHILD DEVELOPMENT CENTER

During the year, we established a pioneering 8,000-square-foot

Child Development Center at our Banjara Hills campus in Hyderabad. This state-of-the-art facility integrates multidisciplinary specialists and therapies under one roof, setting new benchmarks in holistic pediatric care and supporting the broader well-being of children and their families.

BUTTERFLY ESSENTIALS

To enhance the patient experience beyond clinical services, we launched Butterfly Essentials, an initiative offering safe, natural, and hospital-approved baby and women's care products, available across 17 hospitals.

TRANSPLANT SERVICES

We have steadily strengthened our quaternary care capabilities, particularly at our Banjara Hills hub. Building on this success, we are expanding our advanced transplant services in Bengaluru and Chennai, with active kidney and bone marrow transplant programs, and have recently achieved a significant milestone with our first successful liver transplant in Chennai. With regulatory approvals underway, we look forward to formally launching our liver transplant program, enhancing our comprehensive quaternary care portfolio.



SPECIALIZED CAPABILITY AND EQUIPMENT

NEONATAL INTENSIVE CARE UNITS (NICU) OVERVIEW



EXTENSIVE NICU NETWORK

Comprehensive NICU Coverage

- We proudly operate one of India's largest NICU networks, encompassing 400 beds across multiple locations
- Our NICU facilities are strategically positioned to ensure widespread accessibility and timely medical intervention for premature infants and newborns with critical medical needs

Level 4 NICUs at Hub Hospitals

- Equipped with state-of-the-art technology and expert medical staff
- Located at our hub hospitals to provide the highest level of intensive care for critically ill newborns

Level 3 NICUs at Spoke Hospitals

- Strategically placed in spoke hospitals to offer advanced medical care in regional areas
- Ensures comprehensive neonatal care, maintaining high standards of medical expertise and infrastructure

COMMITMENT TO NEONATAL CARE EXCELLENCE

Advanced Medical Care

Our NICUs feature advanced medical equipment and protocols, ensuring optimal care for premature babies and infants with complex medical conditions.

Expert Medical Staff

Dedicated teams of neonatologists, pediatricians, and nurses provide round-the-clock care, focusing on the specialized needs of newborns requiring intensive care.

Integration with Hub-and-Spoke Model

NICU facilities are integral components of our hub-and-spoke model, enhancing our ability to deliver specialized care closer to home for families across India.

ENHANCING NEONATAL HEALTHCARE STANDARDS

Continuous Innovation

We prioritize innovation in neonatal healthcare, leveraging technological advancements and best practices to improve patient outcomes and family support.

Community Outreach

Collaborations with healthcare professionals and community stakeholders to raise awareness and promote preventive care measures for neonatal health.

NICU CAPABILITIES

- Care for Extreme Low Birth Weight babies
- Therapeutic Hypothermia
- Nitric Oxide Therapy
- High-Frequency Oscillation Ventilation (HFOV)
- Advance ventilators
- Developmental clinics for premature babies, offering comprehensive follow-up care
- In-house Retinopathy of Prematurity (ROP) and Brainstem Evoked Response Audiometry (BERA) services
- CRRT /and Peritoneal Dialysis
- Neonatal surgical facilities
- Development supportive care
- Human Milk Bank

PEDIATRIC INTENSIVE CARE UNITS (PICU) OVERVIEW



ADVANCED CRITICAL CARE FOR CHILDREN

State-of-the-Art PICU Facilities

- We maintain cutting-edge PICUs equipped with the latest technology and advanced medical equipment
- Our facilities are designed to deliver specialized care and support to critically ill children requiring intensive medical intervention

Comprehensive Network

- Our network includes 200 PICU beds strategically located across multiple hospital locations
- Ensures comprehensive coverage and accessibility for critical pediatric care across different regions

KEY FEATURES OF OUR PICUs

Advanced Ventilation and Organ Support Systems

Utilizing state-of-the-art technologies to provide critical care interventions such as mechanical ventilation, hemodynamic monitoring, and renal replacement therapy.

Specialized Medical Staff

Dedicated teams of pediatric intensivists, critical care nurses, and support staff ensure round-the-clock monitoring and specialized treatment.

Integrated Healthcare Approach

PICUs are seamlessly integrated within our hospital network, aligning with our hub-and-spoke model to provide specialized care closer to communities.

COMMITMENT TO EXCELLENCE IN PEDIATRIC CARE

Continuous Innovation

Embracing technological advancements and clinical best practices to enhance patient outcomes and family-centered care in PICU settings.

Patient-Centric Care

Focused on individual treatment plans and family support, ensuring compassionate care for both patients and their families during critical times.

ENHANCING PEDIATRIC HEALTHCARE STANDARDS

Training and Education

Investing in ongoing training for medical staff to uphold high standards of care and stay abreast of advancements in pediatric critical care.

Quality Assurance

Implementing rigorous quality assurance measures to maintain safety, efficiency, and excellence in PICU operations.

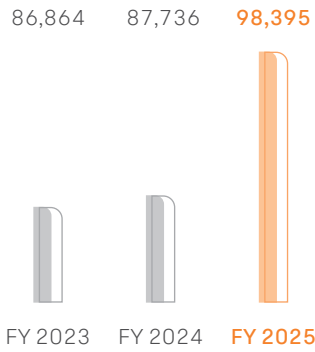
PICU CAPABILITIES

- Latest-generation conventional ventilators from GE Carescape and Maquet
- Advanced ventilation modes, such as high-frequency oscillation and inhaled Nitric oxide therapy
- Extra Corporeal Membrane Oxygenation (ECMO) support for patients who do not respond to advanced ventilation
- Organ support systems, including ECMO for heart and lung support, hemodialysis and peritoneal dialysis for kidney support, and Continuous Renal Replacement Therapy (CRRT) and plasmapheresis for multiple organ failure
- Neurocritical Care Services
- Pediatric Burn unit
- Pediatric Trauma Services

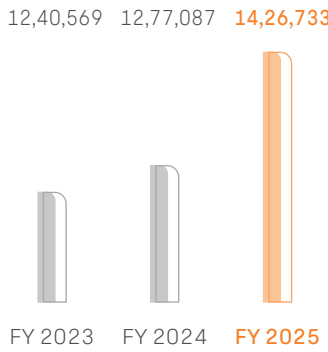


OPERATIONAL PERFORMANCE

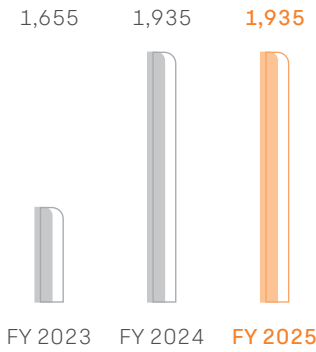
In-patient Admissions
(Nos.)



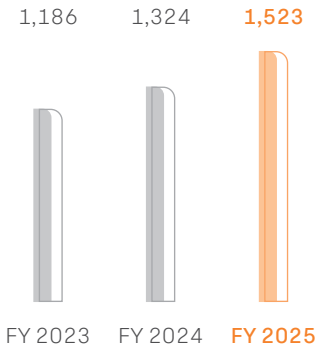
Out-patient Consultations
(Nos.)



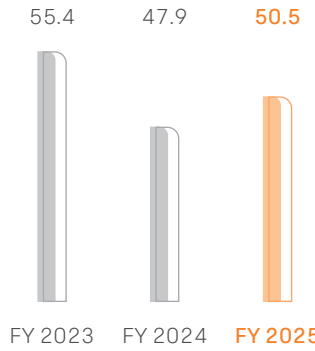
Bed Capacity
(Nos.)



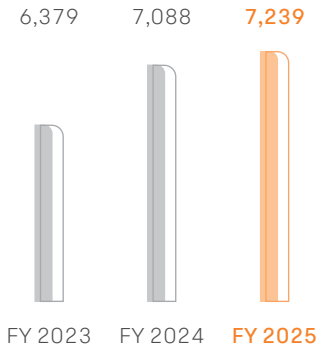
Operational Beds
(Nos.)



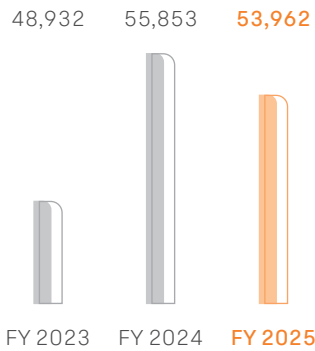
Occupancy Rate
(%)



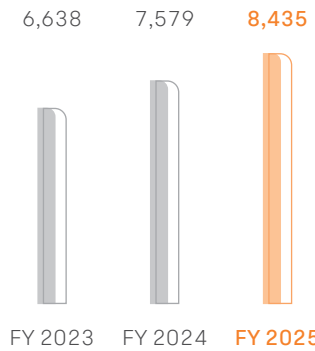
Pediatric Surgeries
(Nos.)



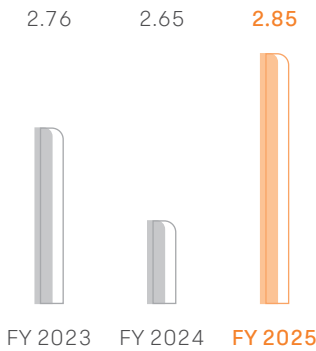
Average Revenue Per Operating
Bed (ARPOB) (₹ per day)



Gynecology Surgeries
(Nos.)



Average Length of Stay
(Days)



Intellectual Capital



Advancing clinical excellence with technological breakthroughs

Our intellectual capital forms the foundation of our pediatric and perinatal healthcare leadership. It encompasses the collective expertise and clinical acumen that drive our commitment to excellence and patient-centric care. Through strategic investments in talent, knowledge systems, and clinical innovation, we continue to enhance our capabilities, setting new benchmarks in specialized healthcare delivery.

DIGITAL TRANSFORMATION

During the year, we made significant strides in advancing our digital infrastructure, enabling smarter, faster, and more efficient healthcare delivery. Our initiatives are strategically aligned to enhance clinical excellence, drive operational agility, and improve patient outcomes.

Migration of Hospital Information System (HIS) to AWS

Our core Hospital Information System (HIS), the backbone of our IT infrastructure, was successfully migrated from a public cloud system to Amazon Web Services (AWS). This shift enhances availability, scalability, and security, ensuring seamless access to clinical and administrative applications across all units and enabling real-time, organization-wide connectivity.

Real-Time Business Intelligence (BI) Dashboard

We designed and deployed a real-time BI dashboard that consolidates demographic, clinical, and operational data from all units and clusters. This tool empowers our leadership with actionable insights for effective business planning. We aim to evolve this into a prescriptive analytics platform capable of identifying performance gaps and suggesting interventions, strengthening decision-making quality.

Salesforce CRM Implementation

Sales Cloud

- Tracks sales representatives' travel distances and doctor locations
- Captures detailed patient referral information
- Monitors achievement of key targets, including visits, referrals, and revenue

Service Cloud

- Integrated with third-party aggregators such as Practo and Just Dial and other social media platforms
- Enables seamless conversion of open leads into patient accounts

Management Dashboards

- Provides real-time insights into usage, utilization, and trend analysis of the Salesforce application

CME (Continuing Medical Education) Campaigns

- Campaigns created and managed within the Salesforce app, with online approval of campaign budgets and tracks referral details

Doctor Promotion Support

- Utilizes a shared promotion sheet for use by hospital units and call center agents

ENHANCING PATIENT CARE AND EXPERIENCE

We launched several initiatives to enhance patient care and experiences, such as:

- New website and mobile application, offering streamlined appointment booking for both physical and virtual consultations
- Integrated payment gateway, enabling secure online transactions
- Access to lab and radiology reports, appointment history, and vaccination booking through a unified platform
- Implementation of a real-time digital feedback system, integrated into operational workflows
- Role-Based Access Control (RBAC) protocols to ensure patient data privacy and information security

We have implemented a Cyber Security Maturity Assessment Framework and robust data encryption protocols to protect critical systems against ransomware, phishing, and DDoS attacks. Additionally, focused efforts are being made to foster a cyber-aware culture across the organization through regular training programs.

ACADEMIC ENGAGEMENT AND TALENT DEVELOPMENT

In FY 2024-25, we supported a range of academic and professional development initiatives, reinforcing our commitment to clinical excellence and knowledge sharing.

We supported national and state-level conferences organized by our consultants, significantly enhancing the visibility of our hospitals and doctors. The launch of a co-guide program enabled consultants to mentor students in thesis and research work, fostering academic collaboration and clinical inquiry.

Key CME initiatives, including those focused on quaternary care and transplant programs, bolstered our clinical capabilities and served as effective tools for retaining top medical talent. As part of our 25th anniversary celebrations, team-building activities were conducted across all centers. Further academic engagement through perinatal

and multidisciplinary meetings and specialty CMEs inspired younger professionals to take on greater responsibilities. This has facilitated the expansion of departments and improved outreach efforts, contributing to overall growth.

Additionally, we absorbed eight DNB-trained professionals into full-time roles across our network in specialties including Pediatrics, Obstetrics and Gynecology, and Pediatric Gastroenterology, reinforcing our clinical workforce and talent pipeline.

CONTRIBUTIONS TO RESEARCH AND PUBLICATIONS

We continue to advance pediatric and maternal healthcare through active research and academic contributions. Our medical professionals are involved in numerous research projects, resulting in publications in esteemed medical journals. Our efforts reflect a strong commitment to evidence-based practice and knowledge dissemination.





Human Capital



Creating meaningful employee experiences

Our people are at the heart of everything we do, enabling us to deliver exceptional pediatric and perinatal care. We remain committed to nurturing talent and providing ample opportunities for a motivated and engaged workforce.

Comprising expert medical professionals and skilled non-medical staff, our human capital is the cornerstone of our success, enabling clinical excellence and patient-centricity. As an organization, we are committed to nurturing their capabilities and providing an environment that fosters a sense of belonging.

We align our approach and efforts to manifest our performance pillars of Excel-Trust-Care, day in and day out. These agile and forward-looking pillars are further supported by a robust competency framework that acts as a guide for our employees to embody excellence and service orientation.

DOCTOR ENGAGEMENT MODEL

Our unique full-time doctor engagement model has been further strengthened through multiple initiatives. We established a specialized Doctors Engagement division within our HR department, specifically tailored to address the

unique needs and career aspirations of our medical staff. We also refined our talent acquisition process to attract and recruit the highest caliber of medical professionals. To enhance doctor retention, we have fostered a supportive environment that emphasizes comprehensive development, with a strong focus on academics and research, supported by institutional grants for these activities. Additionally, we continued to develop the right platforms and processes, supported by the necessary manpower and equipment, to ensure the delivery of high-quality treatments.

SENIOR LEADERSHIP

Our senior management team has been bolstered to align with our strategic goals and lead key growth initiatives. During the year, we expanded our leadership team by introducing Regional COO roles to support our national growth agenda while continuing to drive excellence in existing markets. We also welcomed several new senior leaders, each bringing valuable expertise to help advance our priorities and foster sustainable growth.

Under the umbrella of the Rainbow Leadership Academy, we launched an annual leadership learning calendar focused on developing future-ready capabilities. As part of this journey, our leaders underwent a comprehensive 360-degree feedback process, aligned with our competency framework and leadership potential indicators. This initiative enabled deeper self-awareness and empowered leaders to craft personalized development plans. In parallel, we enhanced our balanced scorecard framework for senior leadership by fully digitizing the goal-setting and performance tracking process.

TRAINING AND DEVELOPMENT

We prioritize continuous enhancement of our team's capabilities through a structured training and development framework tailored for both clinical and non-clinical staff. Our training programs are meticulously crafted and include a variety of initiatives aimed at improving communication, continuing medical education (CME), service orientation, and compliance with the Prevention of Sexual Harassment (POSH) standards. We also implement focused mentoring programs to develop leadership skills and ensure alignment with organizational objectives.



Among our flagship programs, "Cure with Care" stands out, focusing on frontline associates to bolster patient centricity in our services. This program covers essential aspects of patient interaction, aiming to elevate patient experience through emotional regulation, stress management, and effective collaboration.

Another equally powerful program on service standards called "Heart of Healthcare" is a one-day soft skills training program for employees working in patient-facing roles. The module covers the importance of Hospitality, Empathy, Adaptability, Communication, Respect, Grooming, Managing Emotions, and Teamwork. The training includes engaging role plays, interactive learning activities, and practical scenarios that allow employees to develop essential skills.

The "Rainbow Nurse Mentoring Program (RNMP) - Nurture" is designed to support newly joined nurses, pairing them with experienced mentors who guide them through the complexities of the profession. This program helps inculcate resilience, focus, and precision, which are crucial for nursing.

To enable proactive performance management, our people managers are trained on "Performance Conversations", ensuring sharing of constructive feedback to their teams, while ensuring that each member is heard, valued, and supported.

We are fostering a continuous learning culture through our Learning Management System (LMS). Equipped with exhaustive clinical and non-clinical modules, LMS enables our employees to learn from anywhere, especially beneficial for our front-line/nursing employees.

Our academic departments of Obstetrics and Pediatrics, including super-specialties, are nationally recognized, with trainee positions in high demand and student passing rates close to 100%. We have also strengthened simulation-based training and forged collaborations for research and skills enhancement.

TALENT ATTRACTION, RECRUITMENT AND RETENTION

Our talent strategy is aimed at building a diverse and skilled workforce that delivers exceptional patient care and contributes to a vibrant culture. This year, we broadened our talent pool by recruiting professionals from varied industries such as hospitality and ITES, enriching our service delivery with fresh perspectives and specialized expertise.

Our targeted recruitment approach for non-medical roles significantly boosted applicant volumes, enabling seamless hiring. To attract and retain top performers, we adopted a pay-for-performance model, offering differentiated salary increments aligned with individual performance and market benchmarks. Following an in-depth market analysis, we also revised nursing pay scales to ensure competitiveness across the board.

Further strengthening our talent pipeline, we expanded our Train & Hire model across both medical and non-medical functions – including Nursing, Patient Care, Maintenance, and IT. Through partnerships with colleges, we onboard fresh talent as interns and provide tailored training programs. This approach ensures a steady pipeline of capable professionals who are equipped to contribute meaningfully to the organization.

DIVERSITY, EQUITY AND INCLUSION

We are deeply committed to advancing Diversity, Equity, and Inclusion (DEI), guided by the belief that diversity thrives best in an environment built on inclusion and fairness. Our approach places inclusion at the forefront, ensuring every individual feels valued, respected, and empowered.

Our workforce is predominantly female, spans multiple generations, and brings together professionals from various industries. This diverse talent pool fosters a dynamic workplace, driving innovation and enabling us to uphold the highest standards of excellence.

We have made notable strides in enhancing female representation in leadership and remain focused on strengthening this momentum in the years ahead. In recognition of our efforts, Rainbow was honored with the "ET Now Best Organization for Women" award in March 2025, a testament to our inclusive culture and progressive workplace practices.

Our commitment to DEI is further embedded in our governance framework, exemplified by a Board Diversity Policy that ensures balanced leadership and decision-making rooted in diverse perspectives.

EMPLOYEE WELLNESS, ENGAGEMENT AND EXPERIENCE

We strive to create a workplace that fosters well-being, engagement, and positive employee experiences. We introduced a new Human Resource Management System (HRMS) – a modern Human Capital Management (HCM) platform designed to provide tech-enabled touchpoints. This system enhances

trust, transparency, accountability, and data accessibility, supporting seamless interactions throughout the employee journey.

Recognizing the complex nature of the healthcare industry, employee wellness remains a cornerstone of our engagement strategy. We offer nutritional, financial, and mental wellness counseling to support holistic well-being. Our Employee Assistance Program (EAP) has seen increased adoption, underscoring the impact of our wellness offerings. In addition, regular frontline connects by leadership help foster a culture of psychological safety and open communication.

To keep employees informed and aligned with organizational goals, we conduct quarterly Townhalls led by senior management. We've also introduced greater leave flexibility by revising our sandwich leave policy, supporting better work-life balance.

Engagement initiatives – ranging from top performer recognitions and festive celebrations to sports events – have played a key role in boosting morale and strengthening camaraderie across teams.

Our collective efforts have resulted in high employee satisfaction scores, as reflected in internal surveys. Further validating our people-first culture, Rainbow was certified by Amazing Workplaces as an "Organization of Excellence in People Practices" in April 2025.

Rainbow was certified as a Great Place to Work for the fifth consecutive year, achieving its highest-ever score of 90%. This significant milestone reflects the enduring strength of our culture – rooted in care, commitment, and compassion – and the unwavering dedication of our people.

KEY HIGHLIGHTS

62%

Women representation in the workforce

30%

Women in leadership

75,593

Total training hours

27 hours

Average hours of training per employee

79

Employee satisfaction/engagement score





Social and Relationship Capital

Driving impact through trusted collaborations

Our long-term success is deeply intertwined with the trust and relationships we build with our patients, partners, and stakeholders. Equally important are our collaborative partnerships and meaningful contributions to society, all of which are integral to sustainable value creation.

STRENGTHENING BRAND VISIBILITY

Our marketing efforts are focused on enhancing brand visibility, patient engagement, and reinforcing our position as a trusted healthcare provider for pediatric and maternity care. We conducted impactful Above-the-Line (ATL) and Below-the-Line (BTL) activities across our key markets. We executed targeted digital campaigns on Google and Meta platforms, ensuring visibility among audiences. Expert-led content, patient success stories, and awareness drives across social media platforms further deepened engagement.

To connect with communities on the ground, we launched localized promotional campaigns, including health camps, parenting workshops, and school collaborations, helping us build stronger relationships with local audiences. Outdoor branding through hoardings, transit ads, and hospital frontage branding ensured strong top-of-mind recall. Our public relations efforts secured media

visibility and reinforced Rainbow's image as a leading provider of specialized care.

A key highlight of the year was the launch of our centralized emergency number, further enhancing accessibility and patient trust. Our 25th anniversary campaign, featuring inspiring stories of employees and patients, celebrated our legacy while elevating brand engagement.

EXPANDING COLLABORATIONS FOR IMPROVED PATIENT CARE

During the year, we strengthened our strategic partnerships with leading healthcare brands, insurance providers, and digital health platforms to enhance patient care and accessibility. We expanded tie-ups with corporate organizations and schools, offering preventive healthcare programs, health camps, and wellness initiatives.

Through our collaborations with medical institutions, we

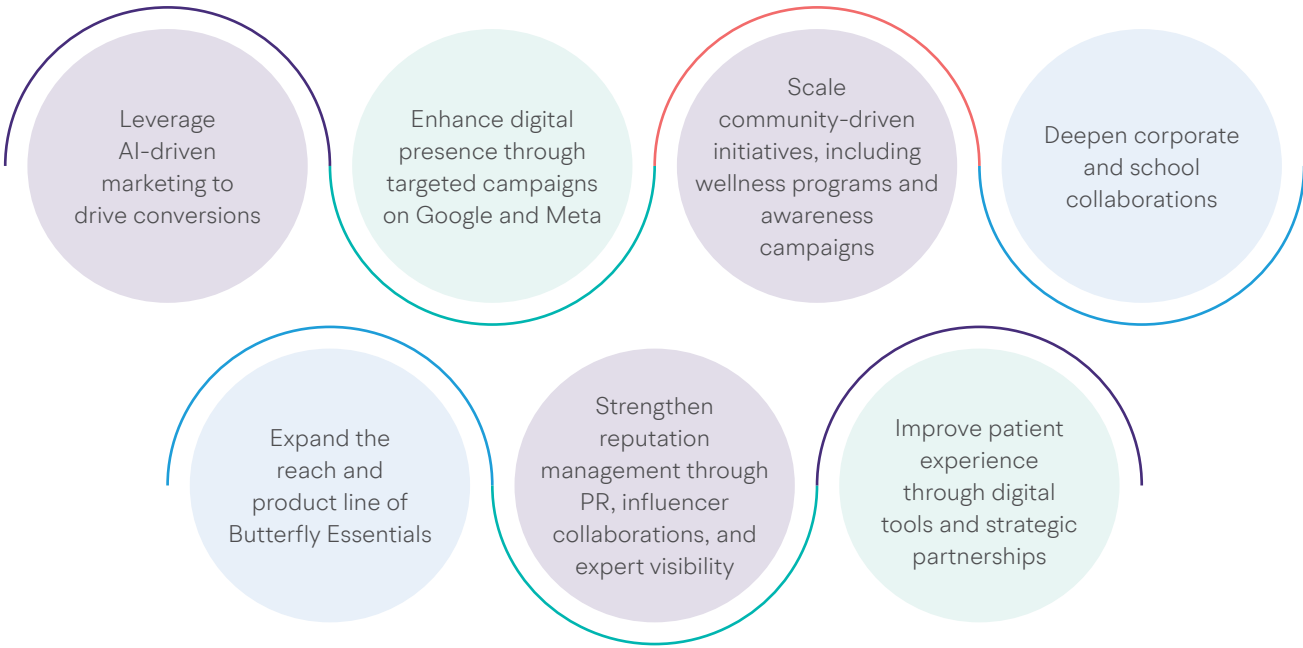
facilitated knowledge exchange, training programs, and research collaborations. Additionally, we deepened partnerships with insurance and TPAs, ensuring seamless cashless treatment options for patients. These alliances have played a vital role in expanding our reach and improving patient care and convenience.

LAUNCH OF BUTTERFLY ESSENTIALS

In line with our vision of comprehensive maternal and child wellness, we launched Butterfly Essentials, a curated line of pediatrician-approved, toxin-free products. These products are available at hospital and through digital platforms, offering parents easy access to trusted care essentials. By combining Rainbow's expertise with safe, quality products, Butterfly Essentials not only enhances patient experience but also strengthens brand loyalty and trust.



STRATEGY FOR FY 2025-26



CORPORATE SOCIAL RESPONSIBILITY (CSR)

Through Rainbow Children's Hospital Foundation (RCHF), our social and philanthropic arm, we are committed to creating lasting impact in the communities we serve. Guided by the principles of equity, inclusion, and empowerment, our CSR initiatives focus on enhancing access to quality healthcare, education, and opportunities, especially for women, children, and marginalized groups.

RCHF executes its initiatives directly within communities or through trusted partnerships, ensuring alignment with the guidelines outlined in Schedule VII of the Indian Companies Act, 2013. This strategy enables RCHF to maximize its impact and address key social challenges in a sustainable and scalable manner.

Vision

To build a healthier, more equitable society through sustainable development, ensuring inclusive access to healthcare, education, and opportunities for all, especially those from economically disadvantaged and underserved communities.

KEY INITIATIVES IN FY 2024-25

Access to Clean Drinking Water

To address the acute shortage of clean drinking water in Chiramana village, located in the Sri Potti Sriramulu Nellore district of Andhra Pradesh, RCHF undertook the installation of a Reverse Osmosis (RO) plant. This initiative followed reports of severe water contamination due to high sediment levels in local bore wells, causing health issues among the residents. In addition, RCHF constructed a dedicated facility at the heart of the village to house the plant. This project now ensures access to safe drinking water for nearly 2,000 residents, significantly improving the community's health and quality of life.



Awareness Drive for Blood Stem Cell Preservation

RCHF collaborated with the DATRI Blood Stem Cell Donors Registry to organize a blood stem cell donation awareness campaign in Banwali village of Shree Ganganagar district, Rajasthan. The session focused on educating the community about the life-saving potential of stem cell transplants for over 75 diseases, including various forms of blood cancer. The campaign successfully led to 56 individuals registering as potential donors, contributing to the national stem cell registry and offering hope to patients in need of critical transplants.

Empowering Talent

During the year, we extended support to Sanjana Sirimalla, a 20-year-old professional tennis player from Telangana, as part of our commitment to promoting youth talent and sports. Through financial aid, the Foundation enabled Sanjana to receive advanced coaching and participate in prestigious national and international tournaments. Her achievements in FY 2024-25 include captaining the Telangana State team at the National Games in Dehradun, winning the AITA-ANT International Women's Title, securing a gold medal at the University Zonal Competition – South Zone, and earning runner-up positions at major AITA Women's tournaments.

Sanjana's inspiring journey, supported by her family's sacrifices and RCHF's timely intervention, exemplifies the impact of nurturing emerging talent and creating opportunities for young athletes to shine on global platforms. With the Foundation's support, Sanjana has been able to receive professional coaching, compete at higher levels, and improve her rankings. This partnership empowers her to achieve her dreams of competing with top-tier global athletes, potentially becoming a role model for other young athletes in India.



CONCLUSION

Our CSR initiatives build the foundation for long-term health, education, and empowerment. Whether it's providing access to clean water, promoting critical health education, or supporting promising talent, our programs are crafted to uplift communities and create positive change.





Natural Capital



Promoting environmental stewardship

Our sustainable practices protect natural capital and reduce our environmental footprint. Through proactive efforts in energy efficiency, emissions reduction, and responsible resource management, we strive to create a healthier environment for our communities and future generations.

ENERGY CONSERVATION

Solar Power Generation

We have installed solar rooftops and solar water heaters across our facilities. These initiatives significantly reduce our dependence on fossil fuels and lower greenhouse gas emissions, reinforcing our commitment to sustainable energy solutions.

Green Power Sourcing

We have signed Memoranda of Understanding (MoUs) for the procurement of solar and wind energy through open access systems. This move allows us to source clean energy across major facilities in Guindy, Sholinganallur, and Anna Nagar (Chennai); Marathahalli and Bannerghatta Road (Bengaluru); and our hospitals in Delhi.

Energy Conservation

We have adopted various energy-efficient technologies and practices to optimize energy usage across our hospitals. These include motion sensors for lighting control, smart HVAC systems that adjust temperature based on occupancy, and energy-conscious management of operating theaters during non-operational hours. Together, these measures enhance operational efficiency while supporting our environmental goals.

KEY HIGHLIGHTS

3,03,490.2 Units

Energy saved through energy conservation methods

79,55,353 Units

Green power purchased, leading to a reduction of 7,081 metric tons of CO₂

5,88,565 Units

Through Solar Rooftop

70,680 kWh

Total capacity of solar water heaters

31.13%

Energy sourced from renewable sources (Open Access & In-House Solar System)

7,604 MT

Total carbon emission reduction achieved through direct (solar panels) and indirect (open access) methods

8,096 MT

Reduction of net carbon equivalent achieved by energy savings and usage of renewable energies

57 kWp

Installation of solar power capacity at Hydernagar gynecology unit

56.5 kWp

Installation of solar power capacity at Himayatnagar unit



WATER MANAGEMENT

Water management is a key priority at Rainbow. We remain focused on continually advancing our water conservation practices. This includes adopting innovative practices and technologies aimed at ensuring water stewardship and fulfilling our role as a responsible corporate citizen.

Advanced Sewage Treatment Plants (STPs)

We have deployed state-of-the-art sewage treatment plants across our hospitals to ensure safe and efficient treatment of wastewater. These systems meet stringent quality standards, enabling safe reuse while protecting the environment.

Water Reuse Systems

Treated water from STPs is repurposed for non-potable applications such as landscape irrigation, HVAC systems, and other operational uses. This reduces our dependence on freshwater sources and supports long-term water sustainability.

Staff Training and Education

We conduct regular training programs and awareness campaigns to promote mindful water usage among our employees. These sessions help instill a culture of conservation and ensure adherence to best practices in water management.

Our integrated approach to water management contributes to both environmental sustainability and operational efficiency. By reducing freshwater consumption, optimizing reuse, and lowering overall costs, we minimize our environmental footprint and contribute to sustainable operations.

69 Mn Liters

Water recycled

159 Mn Liters

Water treated



WASTE MANAGEMENT

We adopt a comprehensive waste management strategy that not only reduces our environmental footprint but also ensures compliance with regulatory standards. Our focus lies in promoting sustainable practices, efficient resource utilization, and safe waste disposal across our healthcare facilities.

WASTE REDUCTION

Waste Recycling

We have implemented targeted waste reduction initiatives that emphasize recycling, composting, and product redesign to minimize resource consumption. These efforts include using recyclable materials for patient kits, diapers, carry bags, and office supplies, promoting a circular approach to consumption.

Usage of Sustainable Materials

We prioritize the use of eco-friendly, non-toxic materials in products for children, such as clothing, toys, and daily essentials. Our procurement practices are guided by sustainability goals, with a strong preference for recyclable and biodegradable materials wherever feasible.



WASTE SEGREGATION AND DISPOSAL

Pharmaceutical Waste Management

We follow strict segregation protocols for pharmaceutical waste, with clearly labeled and color-coded systems to distinguish between hazardous and non-hazardous waste. All pharmaceutical waste is disposed of responsibly, in line with applicable environmental regulations.

339.17 MT

Bio-waste disposed safely

Biomedical Waste Disposal

All biomedical waste generated across our facilities is managed in strict adherence with regulatory norms, including the Bio-Medical Waste Management Rules, 2016. Robust handling and disposal procedures are in place to ensure the protection of both environmental and public health.

4.06 MT

Plastic disposed



TRAINING AND COMPLIANCE

Staff Training and Awareness

Our teams undergo regular training sessions to strengthen awareness and capabilities in waste handling and disposal. These programs cover best practices in waste segregation, recycling, and regulatory compliance, ensuring our staff are well-equipped to implement sustainable operations.

Routine Inspections

We conduct routine internal inspections and third-party audits to ensure compliance with waste management protocols. These assessments help identify areas for improvement and ensure our practices remain aligned with environmental standards and industry best practices.



CONCLUSION

We are focused on embracing sustainable energy practices, optimizing resource management, and prioritizing environmental stewardship to preserve natural capital. These initiatives play a vital role in mitigating the impacts of climate change. As we continue to innovate and grow, sustainability remains central to our philosophy, ensuring that every aspect of our business reflects a resilient, future-ready, and environmentally responsible approach.



OUR GOVERNANCE AND LEADERSHIP

Governance Structure

Rooted in integrity and accountability, our governance practices are designed to safeguard stakeholder trust, ensure ethical decision-making, and uphold the highest standards of trust and transparency.

We have embedded a culture of robust governance across the organization, reinforcing a strong sense of integrity and responsibility. We believe that trust and transparency are fundamental, not only to patient care but also to stakeholder confidence and long-term value creation.

Our governance philosophy is deeply rooted in fairness, ethics, and accountability. We go beyond compliance, striving to uphold the spirit of governance in everything we do. Our corporate structure, operational decisions, and disclosure practices are meticulously aligned

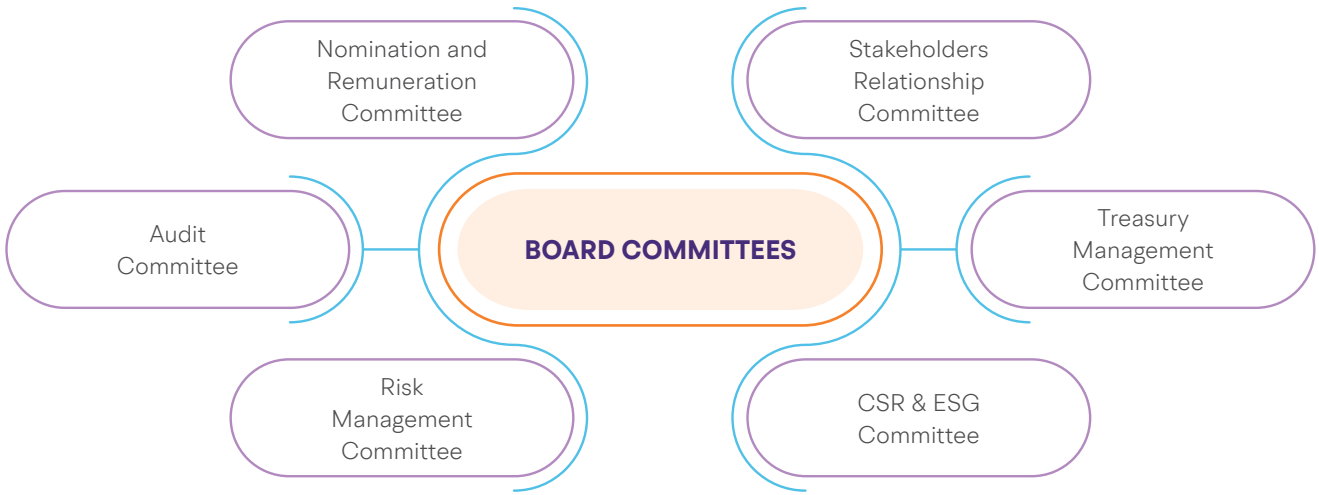
with these principles, ensuring that our actions consistently reflect our core values. This foundation empowers us to deliver business excellence while maintaining the trust of patients, partners, investors, and the wider community.

Our commitment is further upheld by a comprehensive Code of Conduct that applies to all employees and directors. This code ensures adherence to all applicable laws and regulations, promotes ethical behavior, and maintains transparency and fairness in both financial and non-financial matters.

BOARD COMPOSITION

We believe that the strength of our organization lies in the diversity, expertise, and effectiveness of our Board. Our Board comprises individuals with rich and varied experience across domains such as Healthcare, Finance, Risk Management, Corporate Governance, ESG & Sustainability, Human Resource Management, and Information Technology. This breadth of knowledge ensures robust oversight and well-informed, strategic decision-making.

We conduct regular independent evaluations of the Board's performance. These assessments help ensure that the Board continues to fulfill its responsibilities effectively while driving continuous improvement and reinforcing our commitment to excellence in governance.



The Audit Committee supervises our accounting and financial reporting processes, audits of financial statements, and the performance and appointment of external, internal, and cost auditors. It ensures transparency, precision, and integrity in our financial reports.

The Risk Management Committee has the responsibility to review, evaluate, and mitigate risks that could impact our organizational goals. It establishes risk management structures and monitors their efficiency, initiating corrective measures when necessary.

The Nomination and Remuneration Committee ensures that the right individuals are assigned the right roles within our organization. It manages executive appointments, determines remuneration standards, establishes performance goals, and supervises succession planning.

The Stakeholders Relationship Committee oversees the relationships with all our stakeholders. It creates communication strategies and engagement plans to make sure the opinions of stakeholders are factored into decision-making processes.

The CSR & ESG Committee supervises CSR initiatives to align organizational activities with societal duties. It systematically evaluates and guides our performance across three dimensions: Environmental

responsibility, Social impact, and Governance excellence.

The Treasury Management Committee oversees and supervises the treasury operations

of the Company, such as review of investment portfolio, review of debt position and maturities, interest rate exposure and strategies, capital expenditure and funding strategies, etc.

Board Composition



Committees of the Board



% Independent Directors

TRANSPARENCY AND ACCOUNTABILITY

We place high importance on open, consistent, and transparent communication with our stakeholders. We actively engage with investors, employees, patients, and communities through a variety of platforms, including town halls, digital channels, and detailed reports. These ongoing dialogues foster mutual trust and ensure that stakeholders remain aligned with our strategic direction.

We also maintain a strong commitment to timely disclosure of material information, strictly adhering to regulatory norms. Any developments that may impact the Company are communicated promptly and transparently, reinforcing stakeholder confidence and enabling informed decision-making.



OUR GOVERNANCE AND LEADERSHIP

Board of Directors



Dr. Ramesh Kancharla
Chairman & Managing Director



Dr. Ramesh Kancharla is the founding promoter of the Company and has been on the Board since incorporation. He holds a Bachelor of Medicine and Bachelor of Surgery (MBBS) from Sri Venkateswara University, Tirupati, Andhra Pradesh and a Doctor of Medicine (MD) in Pediatrics from Mangalore University, Mangaluru, Karnataka. He is also a member of the Royal Colleges of Physicians of the United Kingdom. With over 25 years of experience, Dr. Kancharla has made significant contributions to pediatric healthcare. Prior to establishing Rainbow Children's Hospital, he was associated with King's College Hospital, London, where he completed his specialist training in pediatric gastroenterology,

hepatology, and nutrition. Dr. Kancharla has been recognized with several prestigious awards, including the Lifetime Achiever of the Year in Pediatric Gastroenterology & Hepatology by the Times of India in 2017 and the Best Healthcare Professional Award at Telangana's Best Healthcare Professional Awards in 2017. In 2018, he was honored with the Entrepreneur of the Year award by the Sakshi Media Group. In 2022, he received the Lifetime Achievement Award at the Times Health Excellence Awards for his exemplary contributions to pediatric healthcare. In 2024, he was bestowed with 'healthcare leader of year' award at the Financial Express, Healthcare Award, 2024.



Ms. Sundari Raviprasad Pisupati
Independent Director



Sundari Raviprasad Pisupati is a dual-qualified lawyer licensed in India and New York, with nearly 32 years of experience in corporate and commercial law. A gold medalist from NLSIU, Bangalore, and an LL.M. graduate from Columbia Law School, she began her career at Sidley Austin, New York, and has since built a globally recognized practice focused on M&A, Private Equity, Venture Capital, and Cross-Border Transactions. She has advised leading companies and funds across sectors, including IT, financial services, infrastructure, biotechnology, and pharmaceuticals.

Ms. Pisupati also plays an active role in corporate policy through the Indo-American Chamber of Commerce and the Federation of Telangana Chambers of Commerce and Industry. Her accolades include recognition as a Band 1 Lawyer by Chambers & Partners (2023–2025), Leading Individual by Legal 500 Asia-Pacific, and Top 10 Individual Lawyers in India by Forbes (2021). She was also featured in Women's Era and the ALB India Super 50 list. She has been on the Board of our Company since September 2021.



Dr. Dinesh Kumar Chirla
Whole-time Director



Dr. Dinesh Kumar Chirla is one of the promoters of the company and has been on the Board since 2005. He completed his MBBS in 1990 and MD (Pediatrics) in 1994 from Marathwada University, followed by DM (Neonatology) from Bombay University in 1998. He earned MRCPCH (2002), CSST in Neonatology (2003), and FRCPCH (2015) from the Royal College of Pediatrics, UK. He was conferred FNNF by the National Neonatology Forum in 2018 and FIAP by the Indian Academy of Pediatrics in 2024. After completing his training in India, he pursued a Neonatology Fellowship at Mercy Hospital, Melbourne. He then worked as a Senior Clinical Fellow in Neonatology at St. Michael's Hospital, Bristol, and completed a Fellowship in Pediatric Intensive Care at Bristol Children's Hospital, UK, before returning to India. He is the Director of Intensive Care at the Rainbow Group, a Gold Medalist with numerous awards, and has authored 75 research publications and contributed to several textbooks.

He played a key role in setting a Guinness World Record for the largest gathering of preterm babies and a LIMCA Record for saving South Asia's smallest baby (375g). He also established the largest Neonatal and Pediatric Emergency Transport Network and pioneered the use of HFOV during transport. He was Secretary combined AP NNF, President-TS NNF 2018, Joint Secretary NNF 2021-22. He was Chairperson – IAP Intensive Care Chapter 2023 and is a Vice President NNFI 2024. He has organized numerous national and international conferences and workshops in Neonatology and Pediatric Intensive Care. Actively involved in academics, he conducted the Ventilation Series locally and the NOEL (NNF Online Education & Learning) series nationally for fellows. He is a regular invited faculty, including orations, at major conferences. A Founding Trustee of the Heal a Child NGO, he has also received the Best Doctor award for his contributions.



Mr. Aluri Srinivasa Rao
Independent Director



Mr. Aluri Srinivasa Rao holds a Bachelor of Pharmacy (Honors) from the Birla Institute of Technology & Science, Pilani, and a Master of Business Administration (MBA) from Osmania University, Hyderabad. He has completed the Global Executive Leadership Programme from Yale School of Management and a Master of Science in Management from the University of London, London Business School. His Sloan Fellowship Program in General Management and specialization in Business Strategy and International Business have fortified his practical expertise. Mr. Aluri Srinivasa Rao has over three decades of private equity and business leadership experience, Mr. Rao has excelled in pivotal roles at renowned organizations, leaving an indelible mark on the industry. His multifaceted expertise encompasses business and financial analysis, corporate strategy, operations, marketing, and business development. As a seasoned professional, he has consistently fostered strong stakeholder

relationships, driving collaboration towards shared goals. Mr. Rao's tenure as Managing Director at Morgan Stanley Private Equity Asia was instrumental in the firm's success, with a particular focus on the India and South Asia markets. During his tenure as Director of Investments at ICICI Venture Funds Management, Mr. Rao spearheaded private equity growth investments and venture capital activities, with a specific emphasis on life sciences and emerging technologies. His extensive experience in opportunity mapping and portfolio management significantly impacted the industry. Mr. Rao's contributions extend to governance and value creation for numerous companies, in addition to investments in and mentorship of over 15 promising deeptech companies spanning various industries. His diverse interests, from extensive travels and golf to new exponential technologies, exhibits his remarkable versatility and excellence in various facets of the business world. He is on the Board of our Company since March 2019.

Key Managerial Personnel



Dr. Anil Dhawan
Independent Director

M M M C

Dr. Anil Dhawan holds Bachelor of Medicine and Bachelor of Surgery (MBBS) from the Himachal Pradesh University, where he was awarded the Shri Devi Chand Memorial Gold Medal and the Dr. Kranti Mohan Sharma Memorial Prize for securing first position in MBBS. He also holds Doctor of Medicine (MD) in Pediatrics from the Post Graduate Institute of Medical Education and Research (PGIMER), Chandigarh, and has passed the examination of the Educational Commission for Foreign Medical Graduates (USMLE) and held the license to practice in

USA. He is the fellow member of the Royal College of Pediatrics and Child Health (FRCPCH). With over 30 years of experience in the healthcare industry, Dr. Dhawan has had a distinguished career. He worked as a pediatric hepatologist at King's College Hospital, London, UK. Currently, he is associated with King's College Hospital, London UK as Director Research and Innovation and the Director of Pediatric Liver GI and Nutrition Center and Mowat Labs. He is on the Board of our Company since August 2018.



Mr. Santanu Mukherjee
Independent Director

C C M M M

Mr. Santanu Mukherjee is the former Managing Director of the erstwhile State Bank of Hyderabad, an associate bank of the country's largest lender - State Bank of India. He has four decades of experience in the fields of banking, finance, risk management, etc. in various capacities. From 2013 to mid-2014, he was acting as Chief General Manager of State Bank of Bikaner and Jaipur. He has also worked as a Chief Executive Officer of State Bank of India, Paris from 2004 to 2008. He joined as a probationary

officer and carried out important domestic and overseas assignments in the SBI Group. Mr. Mukherjee holds a Bachelor of Science (Honors) degree from Presidency College under the University of Calcutta and is a Certified Associate of the Indian Institute of Bankers (CAIIB). He is a member of the Board of Governors of the Institute of Management Technology, Hyderabad, and has been serving on the Board of our Company since October 2021.



Dr. Adarsh Kancharla
Non-Executive Director

M M

Dr. Adarsh Kancharla is one of the promoters of our Company and has been a valued member of the Board since January 2024. He earned his MBBS and MD in Pediatrics from Sri Ramachandra Institute of Higher Education and Research, Chennai. After working as a registrar in the pediatric liver and GI unit at Rainbow's flagship center in Hyderabad for 18 months, he moved to London to further hone his clinical expertise. He completed a one-year fellowship at King's College Hospital, the largest pediatric liver transplant

program in the Western world, from March 2024 to March 2025. A dedicated clinician and academic, he has authored numerous publications in reputed national and international journals. Beyond medicine, he brings strategic leadership to our organization. In a significant academic advancement, Dr. Adarsh has been accepted into Harvard Business School's full-time MBA Program, Class of 2027. This achievement reflects his aspiration to blend clinical acumen with global business leadership.



Mr. Vikas Maheshwari
Chief Financial Officer

M M

Mr. Vikas Maheshwari is a highly accomplished finance professional with over 28+ years of experience in corporate finance, mergers & amalgamations, deal structuring, strategy, and treasury management. He is a member of the Institute of Chartered Accountants of India and holds a Bachelor's degree in Commerce from Lucknow University. Mr. Maheshwari plays an essential role in driving the financial strategy of our company, leveraging his extensive expertise to optimize financial performance and drive sustainable growth. His proficiency in corporate finance & treasury management ensures effective capital utilization and risk management. Mr. Maheshwari collaborates closely with functional heads, senior management and Board of Directors to develop and implement financial strategies that align with the company's objectives, thereby enhancing shareholder value and fostering financial stability. He is associated with the Company since June 2023.



Ms. Shreya Mitra
Company Secretary and Compliance Officer

Ms. Shreya Mitra is an Associate Member of the Institute of Company Secretaries of India (A54901), a gold medalist in M.Com (HRM) from The Maharaja Sayajirao University of Baroda, and holds certifications in Corporate Finance and ESG. With nearly a decade of post-qualification experience, she has a strong track record in corporate governance, regulatory compliance, and legal affairs across diverse sectors. She played a pivotal role in the successful IPO of Sigachi Industries Limited, where she oversaw due diligence, coordinated with regulatory authorities such as SEBI, BSE, and NSE, and managed key corporate actions. In her earlier roles, she handled a broad spectrum of responsibilities, including secretarial functions, arbitration matters, and large-scale compliance operations across various entities. Her core strengths include regulatory compliance, stakeholder engagement, policy drafting, and aligning governance practices with strategic business goals.

- Audit Committee
- Nomination & Remuneration Committee
- CSR & ESG Committee
- Risk Management Committee
- Stakeholders Relationship Committee
- Treasury Management Committee

C = Chairperson M = Member

Corporate Information

BOARD OF DIRECTORS

Dr. Ramesh Kancharla
Chairman & Managing Director

Dr. Dinesh Kumar Chirla
Whole-time Director

Dr. Adarsh Kancharla
Non-Executive Director

Mr. Aluri Srinivasa Rao
Independent Director

Dr. Anil Dhawan
Independent Director

Mr. Santanu Mukherjee
Independent Director

Ms. Sundari Raviprasad Pisupati
Independent Director

CHIEF FINANCIAL OFFICER
Mr. Vikas Maheshwari

**COMPANY SECRETARY &
COMPLIANCE OFFICER**
Ms. Shreya Mitra

STATUTORY AUDITORS

M/s. S.R. Batliboi & Associates LLP
Chartered Accountants

SECRETARIAL AUDITOR

Mr. K.V.S. Subramanyam
Company Secretary in Practice

INTERNAL AUDITORS

M/s. Deloitte Touche Tohmatsu India LLP
Chartered Accountants

REGISTERED OFFICE

8-2-120/103/1, Survey No.
403, Road No. 2, Banjara Hills,
Hyderabad-500034, Telangana.

CORPORATE OFFICE

8-2-19/1/A, Daulet Arcade,
Road No. 11, Banjara Hills,
Hyderabad-500034, Telangana.
Website: www.rainbowhospitals.in

REGISTRAR AND SHARE TRANSFER AGENT

M/s. Kfin Technologies Limited
Plot 31 and 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Rangareddi-500 032, Telangana.



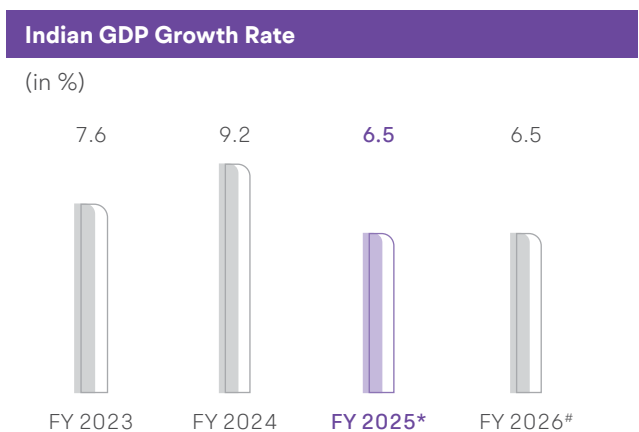


Management Discussion & Analysis

INDIA'S ECONOMY OVERVIEW

India remained one of the fastest-growing major economies, supported by strong domestic demand, structural reforms and favorable policies. The country's rapid economic expansion in recent years enabled it to surpass the UK, becoming the world's fifth-largest economy. However, in FY 2024-25, global uncertainties, geopolitical tensions and inflationary pressures slowed overall economic growth. As per the second advance estimates from the Ministry of Statistics and Program Implementation (MOSPI), India's economy grew by 6.5% year-on-year (YoY) in FY 2024-25, compared to 9.2% (as per first revised estimate) in the previous year.

The Consumer Price Index (CPI) inflation for FY 2024-25 is estimated at 4.9%, improving from 5.4% in FY 2023-24. To ease liquidity challenges, the Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) reduced the repo rate by 25 basis points to 6.25% on 7th February 2025, marking the first rate cut since May 2020. Despite this, the MPC maintained a neutral stance to remain adaptable to economic changes.



Source: *MOSPI NSO Report dated 28th February 2025

#Reserve Bank of India (RBI) Monetary Policy Committee (MPC) report dated 9th April 2025

In FY 2024-25, India maintained steady economic growth, supported by a strong manufacturing sector, a growing services industry and increased infrastructure investments. Government-led initiatives, including digital transformation

and financial inclusion programs, enhanced domestic manufacturing and attracted foreign direct investment (FDI) in key sectors. Access to capital, changing investment trends and credit availability played a key role in business growth, infrastructure development and job creation during the year. Inflation remained a major concern in FY 2024-25, primarily driven by global supply chain disruptions and volatile commodity prices. In response, the RBI's Monetary Policy Committee (MPC) reduced the repo rate twice by 25 basis points, lowering it to 6% by April 2025, while continuing with an accommodative policy stance. Consumer Price Index (CPI) inflation for FY 2024-25 is projected at 4.9%, down from 5.4% in the previous year and is expected to decline further to 4.0% in FY 2025-26. Despite external challenges, India's robust domestic fundamentals, growing middle class and proactive policy measures are expected to support stable medium-term economic growth.

India's economy is expected to grow steadily at 6.5% year-on-year in FY 2025-26, sustaining the pace achieved in FY 2024-25. Stabilization of global crude oil prices within the range of USD 60 to USD 65 per barrel is likely to ease inflationary pressures and support overall economic momentum. However, recent tariff measures have created mixed impacts—posing challenges for export-driven sectors by affecting global competitiveness, while benefiting domestic industries by reducing import dependence and spurring local demand. Exporters are facing margin pressures and limited market access, whereas domestic manufacturers are gaining from increased protection and opportunities to scale operations. Despite continued geopolitical uncertainties and market volatility, India's economic outlook remains favorable, with growth projected to outpace the global average. The Government of India has rolled out various initiatives to enhance the accessibility, affordability and quality of healthcare across urban and rural regions. These efforts aim to boost social welfare, improve workforce productivity, reduce income disparities and promote inclusive development. Alongside healthcare, sustained investments in infrastructure, renewable energy and digital transformation are expected to drive long-term growth and strengthen India's global standing.



THE INDIAN HOSPITAL INDUSTRY SERVES AS THE FOUNDATION OF THE NATION'S HEALTHCARE SYSTEM, PROVIDING ESSENTIAL INPATIENT AND SPECIALIZED MEDICAL SERVICES ACROSS BOTH PUBLIC AND PRIVATE SECTORS.

INDUSTRY OVERVIEW

Indian Healthcare Industry

The Indian healthcare sector has witnessed strong growth in recent years, supported by favorable demographics, rising incomes, greater health awareness, digital advancements and government support. While challenges such as infrastructure gaps and limited insurance coverage remain, they also create opportunities for increased investment in the sector. As a major contributor to both revenue and employment, the healthcare sector continues to grow through improved service delivery and steady capital inflows.

India's dual public-private healthcare system helps provide affordable, quality care, strengthening its position as a key destination for medical tourism and clinical research. The country's advantages include a skilled medical workforce and significantly lower treatment costs compared to developed nations. Key growth drivers include progress in diagnostics, medical devices and therapies, along with increased healthcare spending and a stronger focus on quality care. According to CRISIL Intelligence report, the Indian healthcare delivery market reached approximately ₹ 6.3 trillion in FY 2023-24. The market is expected to grow to ₹ 9.4–9.8 trillion by FY 2027-28.

Healthcare market in India – Key Segments (₹ trillion)

Industry	FY19	FY24	FY28P	FY19- FY24 CAGR	FY24- FY28 CAGR
Pharmaceuticals	1.7	2.6	3.5-3.7	~9%	~8-9%
Healthcare Delivery	3.9	6.3	9.4-9.8	~10%	~10-12%
Diagnostics	0.6	0.9	1.28-1.38	~7%	~10-12%
Medical Devices	0.5	0.9	1.4-1.45	~13%	~11-12%

(P) - Projection

Source: CRISIL March 2025 Report

The main segments of India's healthcare industry include pharmaceuticals, healthcare delivery, diagnostics and medical devices. Overall, growth in the sector is supported by factors such as an aging population, the rise in lifestyle-related diseases, growing health awareness, new technology adoption and a growing affluent middle class. The Indian hospital industry serves as the foundation of the nation's healthcare system, providing essential inpatient and specialized medical services across both public and private sectors. The number of hospital beds in India has grown from 1 million in 2013 to 1.9 million by 2023, while the number of doctors has increased from 646 to 1,000 per million population during the same period. The number of private hospitals also rose from 37,908 in 2013 to 43,486 in 2023, reflecting the sector's steady expansion.

Source: Crisil report

https://www.fortuneindia.com/macro/indias-healthcare-on-fast-track-growth-trajectory/119785#goog_rewarded

India Emerges as a Value Healthcare Destination

India has positioned itself as a prominent global destination for medical travel, offering advanced healthcare solutions at affordable prices. Its modern medical facilities, experienced professionals and integration of traditional wellness practices such as Ayurveda and Yoga attract a growing number of international patients seeking quality care.

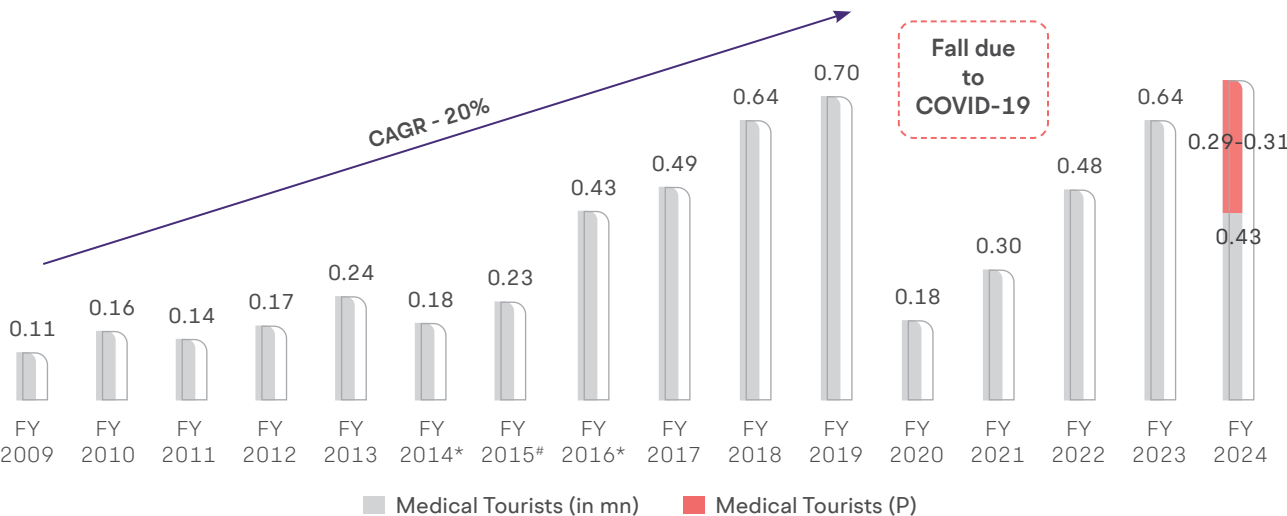
To support this sector, the Indian government has introduced various measures, including simplified visa procedures, the establishment of dedicated medical tourism zones and strategic partnerships with private players. The Union Budget 2025-26 further reinforces this focus by prioritizing initiatives like “Heal in India” to elevate the country’s global standing in healthcare services. India appeals to foreign patients not only for its cost-effective treatments but also for its strong clinical capabilities and the widespread availability of English-speaking medical staff, which ensures smooth

communication. Popular procedures include cardiac surgeries, joint replacements, cosmetic enhancements and dental treatments.

India, ranked 10th in the Medical Tourism Index (MTI) 2020-21, has demonstrated a strong recovery following the pandemic-induced decline, registering a 66% rebound in 2021. Continued government efforts, such as the creation of the National Medical and Wellness Tourism Board, have further accelerated sector growth. In calendar year 2024, the industry is projected to expand by 15%, surpassing pre-COVID levels, with approximately 7.3 lakh inbound medical travelers. From January to July 2024, these visitors represented 7.8% of all foreign tourist arrivals.

~7.3 lakh
inbound medical travelers

Growth in medical tourists*



*Note: includes all types of medical and medical attendant visa; *includes medical visa and medical attendant visa.
Source: CRISIL March 2025 Report

India’s Medical Value Travel (MVT) sector is witnessing rapid growth, with its market size increasing from USD 2.89 billion in 2020 to a projected USD 13.42 billion by 2026. This expansion is driven by a rising influx of foreign patients seeking specialized, affordable medical care. The country offers tertiary and quaternary care for serious chronic and non-communicable diseases, along with specialized treatments in areas such as cardiology, orthopedics, neurosciences and oncology. Additionally, India provides comprehensive rehabilitation, functional health therapies and holistic wellness solutions, further strengthening its reputation as a leading global healthcare hub.

Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=2082732>

<https://pib.gov.in/PressReleasePage.aspx?PRID=2099519>

Digital Healthcare

India is establishing itself as a global frontrunner in digital healthcare by harnessing a strong digital infrastructure, an innovative private sector and a diverse population to deliver scalable, cost-effective solutions. National programs such as the Ayushman Bharat Digital Mission (ABDM), CoWIN platform and eSanjeevani telemedicine service are bridging healthcare gaps and improving access while setting international standards for digital health transformation. Key technologies driving this evolution include telemedicine, mobile health apps, wearable devices, electronic health records and AI-powered diagnostic and monitoring tools, whose adoption was accelerated significantly during the COVID-19 pandemic.



INDIA'S DYNAMIC DIGITAL HEALTHCARE ECOSYSTEM BENEFITS FROM STRATEGIC PARTNERSHIPS, CONTINUOUS INNOVATION AND RISING INVESTMENT FROM BOTH DOMESTIC AND INTERNATIONAL STAKEHOLDERS. THE COUNTRY'S LEADERSHIP IN THE WHO'S GLOBAL INITIATIVE ON DIGITAL HEALTH AND ITS EFFORTS IN PROMOTING CROSS-BORDER COLLABORATION UNDERSCORE ITS ROLE AS A MODEL FOR LOW- AND MIDDLE-INCOME NATIONS

The country’s digital healthcare market is set for robust growth, with projections indicating a rise to USD 946.04 billion by 2030 at a CAGR of 22.2% from 2025 onwards. This growth is supported by widespread smartphone usage, improved internet connectivity and expanding healthcare IT infrastructure. The telemedicine sector alone, valued at USD 3.10 billion in 2024, is expected to grow at a CAGR of 20.5% through 2033, driven largely by demand for remote consultations and digital health integration, particularly in South India. Increasing patient awareness and a shift towards patient-centered care are encouraging greater adoption of digital solutions, while healthcare providers and payers continue to integrate these technologies to enhance service quality and efficiency.

India’s dynamic digital healthcare ecosystem benefits from strategic partnerships, continuous innovation and rising investment from both domestic and international stakeholders. The country’s leadership in the WHO’s Global Initiative on Digital Health and its efforts in promoting cross-border collaboration underscore its role as a model for low- and middle-income nations. By advancing AI diagnostics, telemedicine and harmonized digital health standards, India is transforming healthcare delivery domestically and offering scalable frameworks for global adoption.

Source: <https://www.weforum.org/stories/2025/01/india-can-be-a-global-pathfinder-in-digital-health-here-s-how/>

<https://www.imarcgroup.com/india-telemedicine-market>

<https://www.grandviewresearch.com/press-release/global-digital-health-market#:~:text=Digital%20Health%20Market%20Growth%20%26%20Trends,growth%20driven%20by%20various%20factors.>

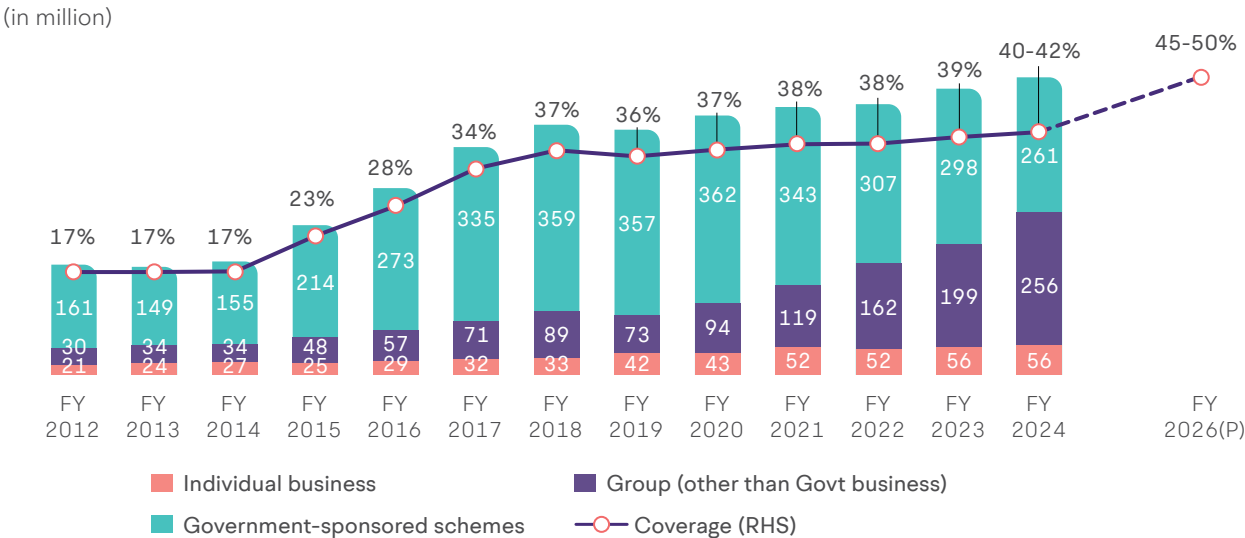
Indian Healthcare Insurance Industry Overview

As per the Insurance Regulatory and Development Authority of India (IRDAI), around 573 million people in India had health insurance coverage in FY 2023-24, up from 288 million in FY 2014-15. Despite this growth, overall insurance penetration remained relatively low at 40-42% in FY 2023-24. This is expected to rise to 45-50% by FY 2025-26. Health insurance penetration is a major growth driver for the healthcare sector. The health insurance coverage has increased from 288 million in FY 2014-15 to 573 million in FY 2023-24, yet penetration remains at 40-42%. With projections of 45-50% coverage by FY 2025-26, more people are expected to access quality healthcare, boosting demand for medical services.

573 million

People in India had health insurance coverage in FY 2023-24

Distribution of various insurance businesses by population



Source: CRISIL March 2025 Report

Health insurance premiums remain the largest segment within the non-life insurance industry, even though growth has slowed following the implementation of the 1/n rule. SAHIs have consistently delivered growth that exceeds the overall health segment. Consequently, the health segment’s market share has increased from 35.3% in FY 2022-23 to 38.6% in FY 2024-25. The total premium for the health segment stood at ₹ 90,667.7 crore in FY 2022-23. This amount expanded to ₹ 1,09,006.5 crore in FY 2023-24, marking a strong YoY growth of 20.2%. The momentum carried into FY 2024-25, with total premiums reaching ₹ 1,18,687.9 crore, reflecting a YoY growth of 8.9% compared to FY 2023-24.

According to the IMARC Group, the Indian health insurance market was valued at USD 145.0 billion in 2024 and is projected to reach USD 308.0 billion by 2033, growing at a CAGR of 8.70% from 2025 to 2033. Key growth drivers include rising healthcare costs, an increase in lifestyle-related diseases, growing awareness and strong contributions from regions such as North and South India. These regions benefit from better healthcare infrastructure, expanding corporate coverage, higher insurance penetration, supportive government policies and rising digital adoption.

Source: https://www.careratings.com/uploads/newsfiles/1745386639_Non-Life%20Insurance%20Update%20for%20March%202025.pdf

Transformation of the Healthcare Sector

India’s healthcare industry is poised to benefit significantly from rapid advancements in digital technology, which are improving accessibility, operational efficiency and care quality. Innovations such as Electronic Health Records (EHRs), Artificial Intelligence (AI), blockchain, telemedicine and mobile healthcare apps are enhancing diagnostics, treatment and patient engagement, particularly in remote and rural areas. Biotechnology is also playing a central role in healthcare innovation through the development of personalized therapies, cutting-edge vaccines and oncology treatments. The ongoing rollout of 5G technology, coupled with rising smartphone adoption and increasing health consciousness, is set to accelerate the digitalization of healthcare services and drive inclusive sectoral growth.

Advancements in technology are driving the growth of the India mother and child healthcare market. Innovations in medical devices, including fetal monitors, neonatal incubators and portable ultrasound machines, are improving maternal and infant care by reducing complications during pregnancy and childbirth. AI-based diagnostics and predictive analytics are enabling early detection of high-risk pregnancies, allowing for timely interventions. Remote healthcare solutions are bridging the gap between rural and urban areas, enabling expecting mothers to consult specialists without the need to travel long distances. Wearable health trackers and mobile apps are supporting mothers in monitoring their health, tracking fetal growth and receiving real-time medical advice. Improved fertility treatments, advanced neonatal care



ADVANCEMENTS IN TECHNOLOGY ARE DRIVING THE GROWTH OF THE INDIA MOTHER AND CHILD HEALTHCARE MARKET. INNOVATIONS IN MEDICAL DEVICES, INCLUDING FETAL MONITORS, NEONATAL INCUBATORS AND PORTABLE ULTRASOUND MACHINES, ARE IMPROVING MATERNAL AND INFANT CARE BY REDUCING COMPLICATIONS DURING PREGNANCY AND CHILDBIRTH.

units and robotic-assisted surgeries are further enhancing healthcare outcomes. In addition, companies are focusing on launching digital platforms to provide teleconsultations and health education.

Global Maternity and Pediatric Care Industry

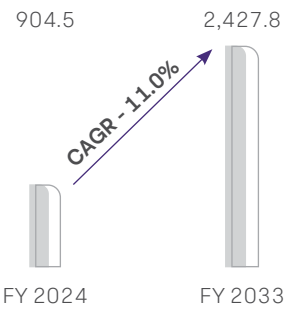
The global maternity and pediatric healthcare market had emerged as a crucial segment focused on improving health standards for mothers and children. According to IMARC Group, the market was valued at USD 904.5 billion in 2024. It is projected to expand at a strong compound annual growth rate (CAGR) of 11.0% from 2024 to 2033, reaching an estimated value of USD 2,427.8 billion by 2033.

The global maternity and pediatric care segment is experiencing significant growth, driven by the rising adoption of digital health solutions that enhance accessibility, efficiency and patient engagement. The increasing reliance on healthcare insurance coverage has further supported this expansion by ensuring broader access to essential services for mothers and children. Additionally, higher healthcare spending continues to improve the quality and reach of maternal and child healthcare.

Advancements in diagnostics, therapeutics and vaccines tailored for children, along with a stronger focus on preventive care, are further strengthening the sector. The growing global child population and heightened awareness of pediatric health issues are also contributing to this positive momentum, supported by an expanding range of specialized medical devices and support services.

Global Maternity and Pediatric Healthcare Market Size

(in USD Billion)



Source: Imarc Mother and Child Healthcare Market Report

(<https://www.imarcgroup.com/mother-child-healthcare-market#:~:text=The%20global%20mother%20and%20child,11.01%25%20during%202025%2D2033.>)

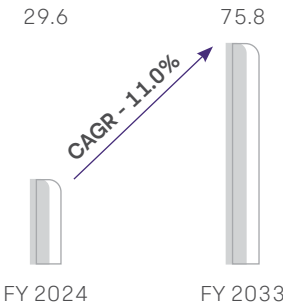
Indian Maternity and Pediatric Care Industry

India’s maternity and pediatric care sector plays a critical role in shaping the country’s overall healthcare landscape, given the size and diversity of its population. With a growing focus on improving maternal and child health outcomes, the sector is witnessing increased investment, policy support and technological integration. Rising awareness around prenatal and postnatal care, coupled with evolving consumer expectations for quality and accessible services, is further driving transformation within this space.

The India mother and child healthcare market reached a size of USD 29.6 million in 2024. According to IMARC Group, the market is expected to grow steadily, reaching USD 75.8 million by 2033, at a compound annual growth rate (CAGR) of 11.00% during the period 2025–2033.

Indian Maternity and Pediatric Healthcare Market Size

(in USD Billion)



Source: <https://www.imarcgroup.com/India-Mother-and-Child-Healthcare-Market#:~:text=India%20Mother%20and%20Child%20Healthcare%20Market%20Overview%3A,11.00%25%20during%202025%2D2033.>

The growth of this market is being propelled by increasing adoption of advanced technologies, particularly artificial intelligence (AI)-driven diagnostics and predictive analytics, which support early detection of complications and timely medical interventions. Additionally, ongoing public-private partnerships are playing a crucial role in strengthening the maternal healthcare infrastructure across the country, thereby widening access to quality care for mothers and children.

GOVERNMENT INITIATIVES

India’s strong focus on digital healthcare transformation has positioned it as a potential global leader in this space. Between FY 2014-15 and FY 2021-22, government health expenditure increased from 29.0% to 48.0%, while out-of-pocket expenditure fell from 62.6% to 39.4%. Key digital initiatives like the Ayushman Bharat Digital Mission (ABDM), e-Sanjeevani, U-WIN and Tele MANAS are driving improvements in accessibility, efficiency and inclusivity in healthcare delivery. With continued investment in digital infrastructure, policy support and innovation, India is set to become a global model for digital healthcare transformation.

The healthcare system is undergoing a significant digital shift, driven by initiatives like ABDM and the Digital Health Incentive Scheme (DHIS). These efforts aim to integrate technology into healthcare delivery nationwide. The World Economic Forum has recognized India’s potential to lead in digital health innovation. This transformation is supported by better data sharing, strong public-private partnerships and scalable service models, which can serve as a benchmark for other countries.

1. Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB PM-JAY):

As of 24th March 2025, over 36.9 crore Ayushman Cards were issued. Between FY 2014-15 and FY 2021-22, the rise in government health spending and the decline in out-of-pocket expenditure saved over ₹ 1.25 lakh crore. In March 2024, coverage was extended to 37 lakh ASHAs, Anganwadi Workers and Helpers along with their families. From 29th October 2024, free treatment benefits of up to ₹ 5 lakh per year were offered to nearly 6 crore senior citizens aged 70+, regardless of income. The scheme includes a three-tier grievance redressal system and has introduced HEM 2.0 to boost private hospital participation.

2. Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PM-ABHIM):

Launched with an outlay of ₹ 64,180 crore for 2021-26, this centrally sponsored scheme aims to improve health infrastructure at all levels and prepare for future health emergencies. As of 3rd December 2024, support was provided for building 17,788 Sub-Centers and 11,024 urban Health & Wellness Centers, renamed Ayushman Arogya Mandirs (AAMs), mostly in slum areas. The scheme also supports 3,382 Block Public Health Units, 730 Integrated Public Health Labs – one in each district – and 602 Critical Care Hospital Blocks in districts with populations over five lakh.

3. Ayushman Bharat Digital Mission (ABDM):

Launched in September 2021, the ABDM aims to create a unified digital health ecosystem. As of 6th February 2025, over 73.98 crore Ayushman Bharat Health Accounts (ABHA) were created and more than 49.06 crore health records were linked. Over 3.63 lakh health facilities were registered on the Health Facility Registry and more than 5.64 lakh healthcare professionals on the Healthcare Professional Registry. Over 1.59 lakh facilities were actively using ABDM-enabled software.

USD 29.6 million in 2024

The Indian mother and child healthcare market reached this milestone

4. e-Sanjeevani – Expanding Telemedicine Services:

India’s National Telemedicine Service, e-Sanjeevani, has delivered over 34 crore consultations as of 2nd February 2025. It operates through 17,051 hubs and 1,31,793 spokes, covering 130 specialties and is especially useful in remote areas.

5. U-WIN Portal – Digitizing Immunization Records:

As of 25th November 2024, the U-WIN portal registered 7.43 crore beneficiaries, held 1.26 crore vaccination sessions and recorded the administration of 27.77 crore vaccine doses. It provides digital vaccination records, SMS alerts and self-registration features.

6. Tele MANAS – Expanding Mental Health Support:

Launched on 10th October 2022, Tele MANAS has handled over 20 lakh calls as of April 2025. It offers 24/7 counseling services in 20 languages through 53 cells across 36 States and Union Territories.

7. FDI in Healthcare:

Since 2000, 100% FDI is permitted under the automatic route in hospitals. By FY 2023-24, cumulative FDI equity inflows reached USD 10.27 billion in hospitals and diagnostics, USD 22.53 billion in pharmaceuticals and USD 3.29 billion in medical appliances.

8. Medical Visa:

To further support medical value travel, the Government introduced a separate Ayush Visa category on 27th July 2023, facilitating foreigners seeking treatment under the Ayush system of medicine. As of 4th December 2024, a total of 123 regular Ayush Visas, 221 e-Ayush Visas and 17 e-Ayush Attendant Visas have been issued. Additionally, the Ministry of Health and Family Welfare launched the Advantage Healthcare India portal, providing a one-stop resource for international patients seeking medical treatment in India.

Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=2082732>

<https://www.mordorintelligence.com/industry-reports/india-hospital-supplies-market>

<https://www.imarogroup.com/india-health-insurance-market>

<https://www.imarogroup.com/india-telemedicine-market>

[ETHhealthworld.com](https://www.ETHhealthworld.com)+1Press Information Bureau+1Press

Information Bureau

<https://pib.gov.in/PressReleasePage.aspx?PRID=2101737>

The Times of India

Kalinga TV+2Daijiworld+2Press Information Bureau+2

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<https://pib.gov.in/PressReleaselframePage.aspx?PRID=2094604>

<https://pib.gov.in/PressReleasePage.aspx?PRID=2116209>

<https://pib.gov.in/PressReleasePage.aspx?PRID=2080067>

PIB – Summary of Economic Survey

FY 2025-26 Budget Highlights

The Government of India has significantly enhanced its healthcare budget for FY 2025-26, allocating ₹ 99,859 crore – a notable 11% increase over the previous year. The budget reflects continued commitment to strengthening healthcare infrastructure, expanding cancer care, improving primary health services, advancing digital health systems and promoting inclusive healthcare coverage across the country.

Key Budget Initiatives:

1. **Infrastructure & Access:** The Government plans to establish 200 Day Care Cancer Centers during FY 2025-26, with a broader target of covering all district hospitals within the next three years. An allocation of ₹ 9,406 crore has been made to the AB-PMJAY Scheme. The funding for the Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) has been increased by 15% to support medical education, with a plan to introduce 10,000 new undergraduate and postgraduate medical seats. The PM-ABHIM has seen a 41% increase in funding, aimed at enhancing healthcare infrastructure and pandemic preparedness.

2. **Healthcare Affordability:** To reduce treatment costs, the Government has exempted 36 life-saving drugs from Basic Customs Duty (BCD) and introduced a concessional 5% duty on six additional critical drugs. Further, drugs supplied under Patient Assistance Programs will be exempted from BCD when distributed free of cost.

3. **Digital & Rural Health:** All rural Primary Health Centers will receive broadband connectivity through BharatNet, strengthening rural healthcare delivery. The allocation for the ABDM Scheme has been increased by 51%

to ₹ 340 crore to support the development of robust digital health systems.

4. **Public Health Programs:** The National Health Mission (NHM) has received a budget increase of 3%, with a total allocation of ₹ 37,227 crore. Significant boosts have been provided for organ transplant programs (up by 50%) and tele-mental health services (up by 77%).

5. **Medical Research & Biosecurity:** The Department of Health Research (DHR) has received a 15% budget increase, while ₹ 3,126 crore has been allocated to the Indian Council of Medical Research (ICMR). Funding for One Health and pandemic preparedness platforms has increased by 87%, reflecting a strategic focus on integrated health responses.

6. **Human Resources for Health:** There has been a 189% increase in the allocation for health workforce training, with a particular emphasis on strengthening the nursing sector.

7. **Allied Programs:** The Ministry of AYUSH has received a 14% budget hike to ₹ 3,993 crore, with increased funding earmarked for AYURGYAN and the Ayurswasthya Yojana. Funding for the Swachh Bharat Mission (Urban) has more than doubled to ₹ 5,000 crore. The Jal Jeevan Mission will continue until 2028, aiming to ensure universal access to clean drinking water.

8. **Disease Surveillance & Emergency Preparedness:** There have been substantial increase in allocations for pandemic response mechanisms, including a 184% rise in the COVID-19 Global Fund and a 526% increase for Emergency Medical Services Human Resource Development (EMS HRD). At the same time, the budget for epidemic prevention tools has been rationalized, witnessing a 56% cut.

9. **Tax Reforms for Charitable Institutions:** The Government has relaxed compliance requirements and extended the validity period for small charitable institutions. Additionally, reforms to Tax Collected at Source (TCS) and Tax Deducted at Source (TDS) have been introduced to reduce the operational burden on these institutions.

Overall, the Union Budget for FY 2025-26 reflects a comprehensive and inclusive approach to healthcare, combining infrastructure development, digital transformation, affordability and enhanced human resource capacity to strengthen India’s health ecosystem.

Source: <https://assets.kpmg.com/content/dam/kpmgsites/in/pdf/2025/02/healthcare-pov-union-budget-2025-26.pdf>.
www.kpmg.comcoredownload.pdf

TRENDS AND OPPORTUNITIES IN THE INDIAN HEALTHCARE SECTOR

1. Emerging Healthcare Delivery Models

The traditional hospital ownership model has become increasingly cost-prohibitive, especially in metros and Tier-1 cities, due to a steep rise in land prices in recent years. As a result, private healthcare operators are adopting alternative business models such as lease agreements, operations and maintenance contracts, medicities (integrated healthcare hubs), one-stop care centers and franchise arrangements. These new models are reshaping the healthcare delivery landscape and broadening the sector’s reach across different geographies.

2. Expansion into Tier-2 and Tier-3 Cities

Private healthcare providers are actively expanding into Tier-2 and Tier-3 cities, driven by rising disposable incomes and significant unmet medical needs in these areas. Leading hospital chains are tailoring their pricing strategies to cater to the unique economic dynamics of these regions while simultaneously offering advanced super-specialty care in metros and Tier-1 cities. This approach facilitates the development of a comprehensive and integrated healthcare network covering both urban and semi-urban locations.

3. Increasing Public-Private Partnerships (PPPs)

Public-Private Partnership (PPP) models have emerged as a vital solution for bridging the healthcare infrastructure gap, particularly in Tier-2 and Tier-3 cities where access to quality medical services remains limited. These partnerships combine government-led efforts to enhance affordability and accessibility with private sector investment, innovation and operational efficiency. Typically, private players oversee facility management and technology deployment, while government entities ensure regulatory compliance and public accountability. This collaborative model helps deliver efficient, inclusive and sustainable healthcare services in underserved regions.

4. Demographic Shifts Driving Demand

India is witnessing a steady rise in the demand for healthcare services, largely due to increasing life expectancy and a changing demographic structure. A significant contributor to this trend is the growing elderly population, which generally requires more frequent and specialized medical attention. In 2011, around 8% of the Indian population was aged 60 years and above. This proportion is projected to increase to 12.5%, or approximately 191 million people, by 2026. Despite this clear demographic change, there remains limited availability of detailed data and focused research on the healthcare needs of older adults. However, it is widely acknowledged that aging



THE GOVERNMENT OF INDIA HAS SIGNIFICANTLY ENHANCED ITS HEALTHCARE BUDGET FOR FY 2025-26, ALLOCATING ₹ 99,859 CRORE – A NOTABLE 11% INCREASE OVER THE PREVIOUS YEAR. THE BUDGET REFLECTS CONTINUED COMMITMENT TO STRENGTHENING HEALTHCARE INFRASTRUCTURE, EXPANDING CANCER CARE, IMPROVING PRIMARY HEALTH SERVICES, ADVANCING DIGITAL HEALTH SYSTEMS AND PROMOTING INCLUSIVE HEALTHCARE COVERAGE ACROSS THE COUNTRY.



RAINBOW HAS MADE SIGNIFICANT STRIDES IN EXPANDING ITS IVF SERVICES ACROSS THE GROUP. THE NUMBER OF CENTERS PROVIDING THESE SERVICES HAS GROWN FROM ELEVEN LAST YEAR TO 12 IN FY 2024-25. MOREOVER, DURING FY 2024-25, RAINBOW HAS LAUNCHED A PILOT PROJECT CALLED THE ADULT VACCINATION OUTREACH PROGRAM (AVON) IN COLLABORATION WITH THE TOP FIVE VACCINE MANUFACTURING COMPANIES.

individuals are more prone to health-related concerns. The United Nations Population Fund (UNFPA), in its November 2012 publication "Report on Status of Elderly in Select States of India, 2011", highlighted that nearly 66% of the elderly population reported having at least one chronic illness such as diabetes, hypertension, arthritis, asthma or heart disease. The report also pointed out gender-based patterns, indicating that men are more vulnerable to conditions such as heart, kidney and skin disorders, while women show higher prevalence of ailments like hypertension, arthritis and osteoporosis.

5. Expansion of In-Patient Services

The share of IPD services in India's healthcare delivery market is estimated to have reached approximately 71% by FY 2023-24. This reflects a strong emphasis on treatment options that involve hospitalization and overnight stays. Although Out-Patient Department (OPD) services record a higher number of visits, it is the IPD segment that contributes the larger share of revenue for hospitals, driven by the cost of surgeries, hospital admissions and specialized care. The growing number of hospitals expanding their IPD capabilities, along with the rise in complex health cases that require extended treatment durations, is expected to sustain momentum in this segment.

6. Private Sector Leadership

The private healthcare sector is playing a pivotal role in the expansion of India's healthcare delivery market. Private hospitals, specialty centers and clinics are making substantial investments in state-of-the-art medical infrastructure, advanced technology and skilled professionals to cater to the increasing demand for high-quality healthcare. These institutions are also focusing on enhancing patient experience through tailored and specialized services, which are particularly appealing to affluent and urban populations. As a result, the private sector is emerging as a leader not just in terms of revenue, but also as a driver of innovation and service quality across the healthcare landscape.

Outlook

The outlook for India's healthcare sector remains robust, driven by the rising concern for non-communicable diseases (NCDs) and increasing demand for advanced healthcare services. Cardiovascular diseases and diabetes are expected to see a significant rise of 34% each by 2030, underscoring the urgent need for enhanced preventive

and treatment measures. Cancer incidence, forecasted to grow by 41%, will further intensify healthcare challenges, emphasizing the importance of early detection and improved oncology care.

Given that NCDs are projected to contribute to 74% of morbidity and mortality by 2030, the healthcare industry must prioritize scalable, patient-centric solutions that improve access, affordability and quality of care. Investments in digital health, diagnostics and chronic disease management will be critical to addressing these growing health concerns. Furthermore, continued government support and public-private partnerships will play a vital role in strengthening healthcare infrastructure and expanding outreach, especially in underserved regions.

Private hospitals in India are expected to add approximately 4,000 beds in FY 2025-26, following the addition of nearly 6,000 beds in FY 2024-25, with a projected investment of ₹ 11,500 crore. Ongoing innovation and digitization are reshaping the healthcare sector, supported by a strong pipeline of medical advancements and favorable government policies aimed at improving access and patient outcomes. However, sustaining this growth will require tackling key challenges. A significant issue is the shortage of specialized healthcare professionals, particularly in Tier 2 cities. Additionally, there is a need for stronger incentives to encourage sustainability across the healthcare industry.

In addition, the corporate healthcare is projected to achieve a 15% increase in sales in FY 2025-26, supported by expanded bed capacity, higher occupancy levels and improved average revenue per occupied bed (ARPOB). The diagnostics industry is also forecasted to grow at a rate of 14%. Public healthcare spending is anticipated to reach 1.9% of GDP, with the government committing substantial funds to support the sector's development. Moreover, the FY 2025-26 Union Budget would aid in building a resilient, inclusive and technology-led healthcare system. Strategic investments in infrastructure, digital health and affordability are expected to strengthen primary care, enhance health outcomes and drive private sector collaboration.

Source: [https://neosciencehub.com/indian-corporate-healthcare-sector-on-track-for-15-growth-in-fy26/#:~:text=The%20Indian%20corporate%20healthcare%20sector,Research%20\(Ind%20DRa\).&text=Several%20factors%20are%20converging%20to,hospitals%2C%20particularly%20in%20urban%20areas.](https://neosciencehub.com/indian-corporate-healthcare-sector-on-track-for-15-growth-in-fy26/#:~:text=The%20Indian%20corporate%20healthcare%20sector,Research%20(Ind%20DRa).&text=Several%20factors%20are%20converging%20to,hospitals%2C%20particularly%20in%20urban%20areas.)

<https://www.crisilratings.com/en/home/newsroom/press-releases/2025/02/private-hospitals-to-add-10000-beds-over-this-fiscal-and-next.html>



COMPANY OVERVIEW

Rainbow Children's Medicare Limited (hereafter referred to as 'Rainbow' or 'the Company') has established itself as a leading healthcare provider specializing in pediatrics, obstetrics and gynecology. The Company began its journey in 1999 by opening a 50-bed pediatric multi-specialty hospital in Banjara Hills. In 2009, Rainbow expanded its services to include maternity care (gynecology/obstetrics), which contributed approximately 30% of its revenue in FY 2024-25.

Dr. Ramesh Kancharla, an expert with over 25 years of experience in pediatric hepatology and liver transplantation, leads the Company. Rainbow implements a hub-and-spoke operational model to provide its services effectively. The central hospitals focus on delivering comprehensive outpatient and inpatient care, particularly tertiary and quaternary services. Meanwhile, the satellite centers provide emergency care, outpatient consultations and level 3 NICU (Neonatal Intensive Care Unit) services. Rainbow has successfully implemented this model in Hyderabad and Bengaluru and the Company actively works to replicate its approach in Chennai and the National Capital Region. Rainbow also plans to expand into tier-2 cities in Southern India, aiming to make its specialized healthcare services accessible to a larger population. The Company's hospitals in South India and the National Capital Region are well-connected to international destinations and recognized as medical hubs, positioning it well to capitalize on the significant medical tourism opportunity.

Rainbow actively provides a wide range of pediatric services, including natal, neonatal and pediatric intensive care, multi-specialty treatments and advanced quaternary care such as multi-organ transplants for children. The Company delivers women's healthcare services under the "Birthright by Rainbow" brand, offering comprehensive



RAINBOW'S BIRTHRIGHT FERTILITY AT KONDAPUR, HYDERABAD RECEIVED RE-ACCREDITATION FROM JCI DURING FY 2024-25

perinatal care, which includes routine and complex obstetric care, multi-disciplinary fetal care, perinatal genetic and fertility support and a variety of gynecology treatments. Rainbow has made significant strides in expanding its IVF services across the group. The number of centers providing these services has grown from 11 last year to 12 in FY 2024-25. Moreover, during FY 2024-25, Rainbow has launched a pilot project called the Adult Vaccination Outreach Program (AVON) in collaboration with the top five vaccine manufacturing companies. This initiative aims to address the immunization needs of families and will cover vaccines such as Influenza, HPV, Pneumococcal and Shingles.

In FY 2024-25, Rainbow has expanded its network to operate 19 hospitals with a combined capacity of 1,935 beds, along with 5 outpatient clinics across six cities: Hyderabad, Bengaluru, Chennai, Vijayawada, Vizag and Delhi. The Company ensures high standards by operating 13 NABH-accredited hospitals and 3 EDGE-certified hospitals. Rainbow's BirthRight Fertility at Kondapur, Hyderabad received re-accreditation from JCI during the FY 2024-25. With this achievement, Rainbow has become the only pediatric hospital chain in the country to have three JCI-accredited hospitals: the flagship facilities in Hyderabad and Bengaluru, as well as the Kondapur fertility center in Hyderabad.



STRENGTHS



WEAKNESS



OPPORTUNITIES



THREATS

SWOT ANALYSIS

Comprehensive Child-Centric Healthcare Framework

Rainbow places children at the center of its healthcare framework. The Company has created a child-friendly environment designed to reduce stress and anxiety during hospital visits. The Company has trained its staff to interact with children in a comforting and reassuring manner, improving treatment outcomes and patient satisfaction. Such child-centric approach not only enhances care delivery but also strengthens trust between the hospital, children and their families.

Collaborative Multi-Disciplinary Approach

Rainbow adopts a collaborative, multi-disciplinary approach to patient care, integrating expertise from specialists across diverse fields such as pediatrics, neurology, nephrology, oncology and cardiology. Such collaboration ensures that every patient receives a comprehensive and personalized treatment plan, leading to better outcomes. Support staff, including nurses, therapists and administrative personnel, also work in unison to create a seamless and coordinated care experience.

Strategic Doctor Engagement for Round-the-Clock Care

Rainbow's doctor engagement model ensures that high-quality care is available 24/7. The Company employs over 910+ full-time doctors on a retainer basis, providing consultant-led care for emergencies, neonatal and pediatric intensive care and retrieval services. With approximately 50% of pediatric cases being emergency-driven, it enables timely and effective intervention. Many of Rainbow's doctors have received advanced training and certifications from countries such as the UK, USA, Canada and Australia, further enhancing the quality of care. Additionally, Rainbow operates India's largest private pediatric DNB (Diplomate of National Board) training program, offering postgraduate and fellowship opportunities to train future healthcare professionals.

Adoption of an Innovative Hub-and-Spoke Model

Rainbow utilizes an innovative hub-and-spoke model to provide comprehensive healthcare services. Central hubs, with a minimum capacity of 150+ beds, function as regional centers for advanced and specialized care, including secondary, tertiary and quaternary services. Smaller hospitals, referred to as spokes, offer secondary and tertiary services in regional areas and maintain a minimum capacity of 50 beds.

Currently, Rainbow operates four hubs located in Banjara Hills (Hyderabad), Marathahalli (Bengaluru), Guindy (Chennai) and Malviya Nagar (Delhi). The hub-and-spoke model enhances accessibility by positioning regional spokes 200-250 kilometres from the hubs, ensuring that remote areas have access to quality healthcare. It also optimizes the utilization of specialized facilities such as PICU and NICU beds, balances a mix of care services and operates cost-effectively.

Strong Brand Identity ensuring Patient Trust

Rainbow has established a strong and recognizable brand in pediatric healthcare. Its reputation for providing advanced medical care and innovative treatment options attracts patients and referrals from healthcare professionals across regions. By building emotional connections with patients and their families, Rainbow has instilled trust and loyalty among its patients, ensuring that families continue to rely on its services for future healthcare needs.

Excellence in Pediatric and Perinatal Care

Rainbow has positioned itself as a leader in pediatric and perinatal care by offering specialized services in areas such as neurology, nephrology, oncology and cardiology. The Company's ability to seamlessly integrate pediatric and perinatal care gives it a distinct competitive edge in the healthcare sector.

WEAKNESS

Evolving and Extensive Regulatory Requirements

Rainbow must comply with a wide array of regulations imposed by central, state and local authorities. These regulations include various domains, including patient care, privacy, safety and record-keeping. The dynamic nature of the healthcare regulatory environment requires the Company to allocate considerable resources to ensure compliance and adapt to new mandates.

Meeting these regulatory obligations can be time-consuming and resource-intensive, diverting attention from core patient care activities. It can lead to delays in delivering essential services and reduce operational efficiency. Additionally, certain regulatory restrictions might hinder the Company's ability to introduce innovative treatments or services, potentially limiting the hospital's ability to fully meet patient needs. Non-compliance with these regulations could result in fines, legal consequences, or reputational damage, further impacting the Company's operations and growth.

Significant Capital Investment Requirements

Rainbow operates in a capital-intensive industry that necessitates substantial financial investment to maintain its competitive edge. The Company actively upgrades its equipment to ensure it provides the latest treatments and remains ahead of competitors. However, the rapid pace of technological advancements in healthcare often leads to swift obsolescence, requiring frequent and costly updates. These significant financial outlays can strain the Company's resources and may also increase treatment costs. Consequently, higher treatment expenses could limit the hospital's ability to attract patients who are unable to afford advanced medical procedures.

Underpenetrated Pediatric Market

India's rapidly growing cities with populations between 4 and 5 million are experiencing significant development across various sectors. However, these cities lack an adequate number of pediatric hospitals, limiting access to specialized treatment for critically-ill children. Such gap in the market provides Rainbow with a substantial opportunity to expand its presence and meet the rising demand for quality pediatric healthcare. The Company can strengthen its position as a leader in pediatric services by addressing this unmet need while contributing to improved healthcare outcomes in these regions.

Growing Demand for Specialized Maternity Care

The trend of delayed childbirth, driven by advancements in healthcare and changing societal norms, has led to an increased need for specialized maternity care. Rainbow is uniquely positioned to address the complexities associated with advanced maternal age due to its multidisciplinary expertise and state-of-the-art facilities. The Company has the opportunity to expand its maternity care services, reinforce its reputation for excellence and significantly enhance the health and well-being of mothers and infants in India.

THREATS

Heightened Industry Competition

Rainbow faces stiff competition from government-owned healthcare entities and private non-profit organizations, which often benefit from tax advantages and access to endowments or charitable contributions for funding capital expenditures. Additionally, the healthcare sector's growth has attracted new entrants, further intensifying the competitive landscape. To maintain its market position, Rainbow has implemented several strategies, including offering attractive compensation packages to attract and retain top-quality medical professionals and providing superior services at competitive rates. However, these measures could impact the Company's profitability.

Reliance on Skilled Healthcare Professionals

Rainbow's success relies heavily on its ability to attract, acquire and retain highly skilled medical professionals, particularly in specialized fields like pediatrics and obstetrics. The expertise of these specialists plays a critical role in delivering high-quality patient care, elevating the Company's reputation and driving increased referrals and revenue growth. However, India faces a significant shortage of experienced medical professionals, making it increasingly challenging to recruit and retain talent. Additionally, intense competition for skilled physicians, nurses and technicians exacerbates the difficulty, as competitors also seek to secure top-tier talent.

OPERATIONAL REVIEW

Mature Hospitals (>5 years): As of FY 2024-25, Rainbow operated 10 mature hospitals, with a total capacity of 1,237 beds, of which 1,001 were operational. Rainbow Children's Hospital, Guindy, Chennai, completed five years and is now classified as a mature hospital. Total revenue from mature hospitals reached ₹ 11,764 million, reflecting a 8% YoY growth. The Average Revenue Per Occupied Bed (ARPOB) stood at ₹ 55,679/day, compared to ₹ 56,806/day in FY 2023-24, marking a 2% YoY decline. Occupancy levels improved to 57.8% in FY 2024-25 from 54.5% in FY 2023-24.



New Hospitals (<5 years)

Rainbow had nine new hospitals as of FY 2024-25, with a total capacity of 698 beds, of which 522 were operational. The new hospitals include:

1. Rainbow Children's Heart Institute, Hyderabad
2. Rosewalk by Rainbow Hospitals, New Delhi
3. Rainbow Children's Hospital, Hebbal, Bengaluru
4. Rainbow Children's Hospital, Visakhapatnam
5. Rainbow Children's Hospital, OMR, Chennai
6. Rainbow Children's Hospital, Financial District, Hyderabad
7. Rainbow Children's Hospital, Himayatnagar, Hyderabad
8. Rainbow Children's Hospital, Sarjapur Road, Bengaluru
9. Rainbow Children's Hospital, Anna Nagar, Chennai

Total revenue from new hospitals stood at ₹ 3,394 million, reflecting a 63.1% YoY growth. The ARPOB for new hospitals was ₹ 48,751/day, compared to ₹ 51,347/day in FY 2023-24, reflecting a 5.1% YoY decline. Occupancy levels improved to 36.5% in FY 2024-25 from 30.5% in FY 2023-24.

Key Strategic Initiatives and Achievements in FY 2024-25

- The Child Development Center in Banjara Hills, Hyderabad, now serves as a centralized hub, consolidating child development services across all Rainbow hospitals in the city for integrated and comprehensive care

Now in 3 hospitals

Liver transplant services now offered across three hub hospitals in Rainbow network

- Butterfly Essentials, has expanded its presence to 17 hospitals
- A new IVF clinic has been added at the spoke hospital on BG Road, Bengaluru, increasing the total number of IVF clinics across the group to 12, further strengthening Rainbow's footprint in fertility care
- A significant milestone was achieved with the first liver transplant performed at the Chennai hub hospital, coupled with the successful receipt of a liver transplant license for the Bengaluru hub. These developments underscore Rainbow's strategic focus on elevating the clinical infrastructure and expertise in Chennai and Bengaluru to match the high standards set in Hyderabad
- Further, Rainbow's commitment to quality and excellence in care was reaffirmed as the fertility services at its Kondapur hospital in Hyderabad received re-accreditation from the Joint Commission International (JCI). The Company now continues to operate three JCI-accredited hospitals, reflecting its adherence to globally benchmarked clinical protocols and patient safety standards
- A new outpatient clinic has been launched in the densely populated residential area of Attapur, Hyderabad, operating in conjunction with the hub hospital at Banjara Hills to ensure seamless integration and improved service delivery
- Rainbow continued to strengthen its tertiary and quaternary care capabilities across its network. The Company successfully integrated all newly commissioned beds into its ecosystem
- The Board has recommended a final dividend of 30% per equity share of face value ₹ 10, amounting to ₹ 304.7 million (i.e., ₹ 3 per equity share), reflecting the Company's continued commitment to delivering value to its shareholders
- As of 31st March 2025, cash and cash equivalents, fixed deposits and mutual fund investments totaled ₹ 6,989 million. These reserves, coupled with expected internal accruals, provide strong support for all ongoing and planned capital expenditures, enabling Rainbow to fund its growth through internal resources
- In the National Capital Region (NCR), the Company has completed the groundbreaking at its two land parcels in Sector-44 and Sector-56, Gurugram.

Construction work has commenced at both sites, marking a significant step in Rainbow's northward expansion during the year

- Rainbow has received the 'Great Place to Work' certification for the fifth time, reflecting its consistent focus on promoting a strong workplace culture
- Additionally, the Company was honored with the 'Amazing Workplace for Excellence' award for its outstanding people practices and was recognized by The Economic Times as the 'Best Place to Work for Women'
- Furthermore, Newsweek acknowledged Rainbow as the 'Best Pediatric and Women's Hospital' of the year, reinforcing its position as a leader in specialized healthcare

Key Business Updates – Project Expansion

- The 100-bed regional spoke hospital in Rajahmundry Andhra Pradesh, has entered its final stages of development and is on track to commence operations by the end of Q1 FY 2025-26
- Two spoke hospitals in Bengaluru – Electronic City (90 beds) and Hennur (60 beds) – are progressing as per schedule and are expected to become operational by the end of Q2 FY 2025-26
- Project work has commenced on the 130-bed regional spoke hospital in Coimbatore, with an estimated completion timeline of 20 to 24 months
- The Company successfully conducted Bhoomi Puja (groundbreaking ceremonies) in late April at both land parcels in Sector 44 and Sector 56, Gurugram. Construction work is currently underway at both sites

FINANCIAL OVERVIEW

Financial highlights				(₹ in million)
Particulars	FY 2024-25	FY 2023-24	YOY (%)	
Income				
Revenue from operations	15,158.66	12,969.00	16.9	
Other income	510.08	370.64	37.6	
Total Income	15,668.74	13,339.64	17.5	
Expenses				
Cost of materials consumed	1,949.20	1,652.80	17.9	
Employee benefits expenses	2,063.67	1,761.70	17.1	
Finance Cost	724.55	590.54	22.7	
Depreciation and amortization expense	1,384.40	1,120.82	23.5	
Professional fee to doctors	3,690.21	3,053.66	20.8	
Other expenses	2,556.70	2,211.99	15.6	
Total expenses	12,368.73	10,391.51	19.0	
Profit Before Tax (PBT)	3,300.01	2,948.13	11.9	
Tax expense				
(a) Current tax	873.08	770.39	13.3	
(b) Deferred tax expense/(credit)	-35.19	-5.13	586	
(c) Adjustment of tax related to earlier periods	19.85	-		
Total tax expense	857.74	765.26	12.1	
Profit for the period/year	2,442.27	2,182.87	11.9	

Revenue

The revenue for FY 2024-25 amounted to ₹ 15,158.66 million, reflecting a 16.9% increase compared to ₹ 12,969.00 million in FY 2023-24. The growth was driven by a 12.1% rise in inpatient volumes, a 11.7% increase in outpatient volumes and a 3.4% decline in ARPOB (Average Revenue per Occupied Bed). The growth during FY 2024-25 was primarily fueled by the Company’s specialty services, including pediatric super-specialty, obstetrics, tertiary care and quaternary care services. These services, characterized by high ARPOB and relatively lower ALOS (Average Length of Stay), contributed significantly to revenue growth. Additionally, the superior case mix effectively mitigated the impact of lower occupancy rates caused by reduced seasonal business.

Particulars (₹ in million)	FY 2024-25	FY 2023-24	YoY Growth	% age of revenue	
				FY 2024-25	FY 2023-24
EBITDA	4,898.88	4,288.85	14.22%	32.32%	33.07%
Profit Before Tax (PBT)	3,300.01	2,948.13	11.94%	21.77%	22.73%
Tax (Including Deferred Tax)	857.74	765.26	12.09%		
Profit after tax	2,442.27	2,182.87	11.88%	16.11%	16.83%
EPS - Basic (₹)	23.97	21.38	12.38%		
EPS - Diluted (₹)	23.84	21.38	11.75%		
EBITDA (Pre-IND AS)	4,025.78	3,563.86	12.96%	26.56%	27.48%

Significant Factors contributing to the growth in revenues are stated in table below:

Particulars	Units	FY 2024-25	FY 2023-24	YoY Change
In-patient (IP) volume	#	98,395	87,736	12.15%
Out-patient (OP) volume	#	14,26,733	12,77,087	11.72%
Delivery volume	#	17,349	15,798	9.82%
ARPOB	₹ per day	53,962	55,853	-3.39%
ALOS	# days	2.85	2.65	7.55%
Occupancy	%	50.53%	47.91%	5.47%

EBITDA

In FY 2024-25, the EBITDA stood at ₹ 4,898.88 million, marking a strong 14.22% growth compared to ₹ 4,288.85 million in FY 2023-24. It was driven by strong revenue growth combined with the effective maintenance of an optimized cost structure.

PAT

In FY 2024-25, the Profit After Tax (PAT) was ₹ 2,442.27 million, representing 16.1% of revenue and a 11.9% increase compared to ₹ 2,182.87 million in FY 2023-24.

Other income

Other income primarily consists of interest income from fixed deposits, mutual fund earnings, reversal of expected credit losses and other miscellaneous income. In FY 2024-25, it experienced a substantial increase of 37.6%, rising from ₹ 370.64 million to ₹ 510.08 million. The growth was mainly driven by below factor:

- A ₹ 171.21 million increase in mutual fund income, resulting from the rebalancing of investments from fixed deposits to higher-yield mutual funds

Expenses

The Company recorded a 19.02% increase in total expenses during FY 2024-25, rising by ₹ 1,977.22 million from ₹ 10,391.51 million in FY 2023-24 to ₹ 12,368.73 million. The growth was primarily driven by a significant 17.14% increase in employee benefits expenses, a 20.84% rise in professional fees paid to doctors and a 15.58% uptick in other expenses.

Other expenses includes contract wages, canteen services, lab investigations, power and fuel costs, repairs and maintenance, business promotion and advertisement efforts, Corporate Social Responsibility (CSR) initiatives and legal and professional fees.

Medical Consumables and Pharmacy Items

The procurement of medical consumables and pharmaceutical items, including associated GST and freight charges, amounted to ₹ 1,949.20 million in FY 2024-25, compared to ₹ 1,652.80 million in FY 2023-24. These costs represented 12.86% and 12.74% of revenues, respectively. The increase as a percentage of revenue was driven by an clinical case mix, centralized lab and vaccination.

OPERATIONAL EXCELLENCE INITIATIVES

Employee Benefits Expense

In FY 2024-25, employee benefits expenses, which include salaries and other benefits, totaled ₹ 2,063.67 million, marking a 17.14% increase from ₹ 1,761.70 million in FY 2023-24. The growth can be attributed to salary increments, the strengthening of the leadership, sales and marketing teams and an increase in the overall employee count due to the addition of new hospitals. As a result, employee benefits expense as a percentage of the hospital's total revenue rose from 13.58% in FY 2023-24 to 13.61% in FY 2024-25.

Finance Costs

Finance costs mainly consist of interest on lease liabilities under Ind AS 116. In FY 2024-25, financial costs rose to ₹ 724.55 million, up from ₹ 590.54 million in FY 2023-24. It is primarily due to the interest expenses incurred on new lease liabilities associated with the hospitals added during the year.

Depreciation and Amortization

Depreciation and amortization expenses, which include depreciation on Property, Plant and Equipment (PPE), amortization of intangibles and depreciation of right-of-use assets, increased to ₹ 1,384.39 million in FY 2024-25, compared to ₹ 1,120.82 million in the previous year. The rise is primarily due to higher depreciation on the new units opened during FY 2024-25, along with the amortization of right-of-use assets.

Key financial ratios

Overall improvement in operating results led to better key financial ratios as tabulated below:

	Unit	FY 2024-25	FY 2023-24	Change %	Reason
Liquidity ratios					
Current Ratio	#	5.46	4.16	31.25%	
Inventory Turnover Ratio	Days	7.56	7.73	-2.20%	
Trade Receivables/Debtors Turnover Ratio	Days	20.52	21.32	-3.77%	
Leverage ratios					
Debt Equity Ratio	#		-		
Debt Service Coverage Ratio	Times	5.21	5.37	-2.98%	
Interest Coverage Ratio	Times		-		
Profitability ratios					
Operating Profit Margin	%	32.32	33.07	-2.27%	
Net Profit Margin	%	16.11	16.83	-4.28%	
Return on Equity Ratio/Networth (ROE)	%	17.85	18.72	-4.65%	
Return on Capital Employed (ROCE)	%	26.95	27.63	-2.46%	

Professional Fees to Doctors

Professional fees to doctors rose to ₹ 3,690.21 million in FY 2024-25, up from ₹ 3,053.66 million in FY 2023-24, reflecting the growth in business and commencement of new hospitals. As a percentage of operating revenue, professional fees increased from 23.55% in FY 2023-24 to 24.34% in FY 2024-25.

Other Expenses

Other expenses increased by 15.58%, reaching to ₹ 2,556.70 million in FY 2024-25, compared to ₹ 2,211.99 million in FY 2023-24. The growth was driven by higher costs in areas such as contract wages, communication expenses, canteen services, lab investigations, power and fuel, repairs and maintenance, business promotion and advertisement, Corporate Social Responsibility (CSR) activities, as well as legal and professional fees.

Income Tax Expense

Income tax expense rose to ₹ 857.74 million in FY 2024-25, compared to ₹ 765.26 million in FY 2023-24, reflecting an effective tax rate of 25.17% for FY 2024-25.

Capital expenditure

The net block grew by ₹ 1,745.76 million, reaching to ₹ 8,132.82 million as of 31st March 2025. The increase is primarily due to the addition of new units in FY 2024-25, including locations in Annanagar (Chennai), Central Hyderabad and Sarjapur (Bengaluru), along with the acquisition of other medical equipment. Furthermore, capital work in progress amounted to ₹ 277.66 million, covering expenditures related to upcoming units in Gurugram, Rajahmundry and Electronic City.

BUSINESS OUTLOOK

The Company remains dedicated to providing exceptional multi-disciplinary pediatric and perinatal care, supported by ongoing investments in state-of-the-art infrastructure, expanded service offerings, recruitment of top-tier talent and the implementation of advanced technologies.

Going forward, the Company will focus on enhancing the performance of its existing units, aiming to optimize their operational efficiency. The addition of new hospitals has deepened the Company's market penetration and increased its bed capacity, which is expected to create significant growth opportunities in the near future.

Furthermore, the Company is committed to establishing new facilities in strategically selected locations, with a particular focus on launching centers in untapped markets that exhibit a growing demand for high-quality healthcare services. The Company is expected to implement such expansion strategy by adopting a targeted approach in Tier II cities and actively exploring potential new markets using a clinical model. A clinical model refers to a structured framework used in healthcare to guide patient care, diagnosis, treatment and overall medical decision-making. It will enable the Company to conduct a comprehensive feasibility assessment to evaluate the viability and potential of these markets.

In addition, In Vitro Fertilization (IVF) services have emerged as a promising growth avenue and the Company's concentrated efforts to enhance this service offering are expected to generate further opportunities for expansion. Other areas with significant growth potential include pediatric quaternary care, perinatal care and the Company's international business. The Company also remains open to actively exploring mergers and acquisitions (M&A) opportunities to accelerate its growth. The Company is confident in its ability to deliver exceptional value to patients and achieve sustained growth by leveraging its core strengths and executing a range of strategic business initiatives.

INTERNAL CONTROLS

Rainbow has prioritized establishing an efficient internal control system to uphold governance standards and ensure operational excellence. The Company has implemented a well-defined internal control framework tailored to the size and complexity of its operations. In addition, Rainbow has enforced stringent measures to ensure effective oversight and risk management.

The Internal Audit function operates under a comprehensive charter approved by the Audit Committee, which outlines its scope, authority and responsibilities. The Audit Committee, comprising four independent directors, provides oversight

and ensures that the Internal Audit team reports directly to it. Each year, the Internal Audit team develops a risk-based internal audit plan to evaluate the design and operational effectiveness of controls, subject to the Audit Committee's approval.

The Company's functional heads review internal audit reports, prepare detailed action plans with defined timelines and establish a responsibility matrix for each observation. Once these reviews are completed, the reports are presented to the Audit Committee for quarterly reviews and approvals.

Rainbow has also assigned a separate team of auditors to conduct concurrent reviews of daily transactions across all group hospitals. The outcomes of these reviews are evaluated monthly at the unit level and regular updates are shared with management. Such an approach has enabled real-time monitoring and facilitated the prompt resolution of emerging issues.

Moreover, the Internal Audit team conducts annual testing of Entity Level Controls (ELCs) and Internal Controls over Financial Reporting (ICoFR) established by management. The quarterly updates on the status of internal controls, along with a comprehensive Action Taken Report (ATR) to track pending observations, are submitted to the Audit Committee. The systematic and diligent approach reflects the Company's commitment to continuously monitoring and improving its internal control processes.

HUMAN RESOURCE MANAGEMENT

The healthcare sector operates within a stringent regulatory framework. The HR departments ensure compliance with labor laws, patient confidentiality regulations and ethical standards. Regular audits, training sessions and an effective grievance redressal system maintain organizational integrity and build trust among employees and patients alike. During the year, the Company invested in hiring the right clinical talent across new and existing locations in order to build new specialties and strengthen the existing ones. Additionally, the Company has established a strong leadership team for driving organizational goals.

Rainbow's unwavering commitment to offering best-in-class training programs and career development opportunities earned recognition from the National Board of Examinations, designating it as a Membership of the Royal College of Pediatrics and Child Health (MRCPCH) Examination Center and training center in India. The Company has cultivated a comprehensive clinical environment within the Rainbow network that supports continuous employee learning and growth. Moreover, the Company also provides firm support for full-time physician retention by offering strong career development and growth opportunities. As of 31st March 2025, the Company had 3,972 permanent employees, reflecting its focus on building and sustaining a dedicated and skilled workforce.

RISK MANAGEMENT

Rainbow has established a comprehensive Risk Management Framework to address the complexities of its business landscape. Rainbow's risk management approach aligns with the globally recognized Committee of Sponsoring Organizations (COSO) framework, including various aspects of its business operations. Rainbow's risk assessment methodology incorporates various tools, such as risk perception surveys, business environment analysis and feedback from internal and external stakeholders. The framework is strategically designed to identify, assess and mitigate potential risks, ensuring the Company's resilience and sustainable growth in a dynamic environment. The Company's functional heads play a crucial role in preparing detailed Risk Registers, which serve as foundational documents for the Risk Management framework. Risks are evaluated based on three critical factors: the likelihood of occurrence, the severity of impact and the detectability of the risk.

The Company's Risk Management practices are governed by a Risk Management Charter, which is reviewed and approved by the Board's Risk Management Committee (RMC). The committee oversees and monitors all risk management activities to ensure their effectiveness. Rainbow utilizes monitoring mechanisms such as process walkthroughs, concurrent auditing and risk-based internal audit reviews to ensure effective oversight and address potential risks. This approach focuses on detecting and resolving gaps in internal processes, enhancing operational integrity. Management actively identifies new risks, which are immediately recorded in the Risk Register. Each identified risk is thoroughly analyzed for root causes, with clearly defined indicators established for ongoing monitoring.

A Management Information System (MIS) is also established for each identified risk, ensuring effective tracking. Comprehensive mitigation plans are then developed, with regular progress updates shared with the RMC. The Company prepares a monthly MIS report summarizing identified risks and presents it to the management for review. During scheduled RMC meetings, members thoroughly evaluate the status of risks and provide actionable recommendations, which are promptly implemented. Additionally, updates on risk management initiatives are communicated to the RMC on a half-yearly basis to ensure sustained focus on mitigating risks.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Rainbow has made significant strides in advancing its ESG vision and promoting business sustainability. The Company has embraced energy-efficient solutions, including the installation of solar rooftops, solar water heaters and the use of Internet of Things (IoT) technology for equipment maintenance and energy monitoring. A notable achievement during the year was the signing of a Memorandum of Understanding (MoU) to secure solar and wind power supply through the open access system.

Rainbow continues to implement comprehensive waste and water management strategies aimed at reducing its ecological impact. On the social front, the Company collaborates with non-profit organizations and educational institutions to promote awareness of pediatric healthcare.

CAUTIONARY STATEMENT

Certain statements that may be made or discussed in this release may be forward-looking statements and/or based on management's current expectations and beliefs concerning future developments and their potential effects upon Rainbow Children's Medicare Limited. The forward-looking statements are not a guarantee of future performance and involves risks and uncertainties and there are important factors that could cause actual results to differ, possibly materially, from expectations reflected in such forward-looking statements. Rainbow Children's Medicare Limited does not intend and is under no obligation, to update any forward-looking statement made in this release.

Board's Report

Dear Members,

Your Directors have pleasure in presenting the 27th Annual Report on the business and operations of your Company along with the audited financial statements (Consolidated as well as Standalone) for the financial year ended March 31, 2025.

FINANCIAL RESULTS

The Financial performance of your Company for the financial year ended March 31, 2025 is summarized below:

(₹ in million)

Particulars	Year ended March 31, 2025 (Consolidated)	Year ended March 31, 2024 (Consolidated)	Year ended March 31, 2025 (Standalone)	Year ended March 31, 2024 (Standalone)
Total Income	15,668.74	13,339.64	15,034.56	12,735.10
Total Expenses	12,368.73	10,391.51	11,813.73	9,842.93
Profit/ (Loss) before Tax (PBT)	3,300.01	2,948.13	3,220.83	2,892.17
Profit/ (Loss) after Tax (PAT)	2,442.27	2,182.87	2,375.85	2,148.91

1. STATEMENT OF COMPANY'S AFFAIRS

The Company delivered a resilient financial performance for FY 2024-25, successfully navigating seasonal headwinds that affected patient inflow across the industry. Our clinical and operational excellence, combined with cost optimization measures, enabled us to overcome external challenges and achieve our highest revenue, EBITDA and PAT.

The Company continued to fortify its operations, achieving several notable milestones and implementing numerous new initiatives.

The Company demonstrated its clinical excellence through advanced medical intervention and the successful management of complex medical cases. During the period under review, the fertility services at Kondapur Hospital in Hyderabad received reaccreditation from the prestigious Joint Commission International (JCI), continuing to have three JCI-accredited hospitals and affirming the Company's dedication to providing healthcare services that meet global quality and safety standards.

The Company has received the necessary approvals from Haryana Shehri Vikas Pradhikaran, Panchkula, for two land parcels situated in Sector 44 and Sector 56, Gurugram ("Land Parcels"). The Company has performed the groundbreaking at two land parcels and project work has commenced at both sites.

2. FINANCIAL PERFORMANCE

I. Consolidated Performance

During the year under review, the consolidated income of the Company increased to ₹ 15,668.74

million compared to ₹ 13,339.64 million in the previous year, registering a growth of 17.46%. The consolidated net profit after tax increased to ₹ 2,442.27 million compared to ₹ 2,182.87 million in the previous year, representing a growth of 11.88%.

II. Standalone Performance

During the year under review, the standalone income of the Company increased to ₹ 15,034.56 million compared to ₹ 12,735.10 million in the previous year, registering a growth of 18.06%. The standalone net profit after tax increased to ₹ 2,375.85 million compared to ₹ 2,148.91 million in the previous year, representing a growth of 10.56%.

3. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of your Company for the Financial Year 2024-25, are prepared in compliance with applicable provisions of the Companies Act, 2013 ("the Act"), Indian Accounting Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The consolidated financial statements have been prepared based on the audited financial statements of the Company and its Subsidiaries, as approved by their respective Board of Directors.

4. CHANGE IN NATURE OF BUSINESS

During the year under review, there is no change in nature of business of your Company.

5. DIVIDEND

During the Financial Year, your Company declared and paid dividend as under:

Date of Declaration	Dividend Type	Dividend Per Share
July 30, 2024	Final Dividend	₹ 3/-

Your Directors are pleased to recommend dividend of ₹ 3/- per Equity Share of face value of ₹ 10/- each as Final Dividend for the Financial Year 2024-25, for approval by the shareholders at the ensuing Annual General Meeting (“AGM”) of the Company.

The Company has fixed Saturday, June 28, 2025 as the “Record Date” for determining entitlement of Members to final dividend for the Financial Year 2024-25, if approved at the AGM.

The Dividend Distribution Policy of the Company is also available on the Company’s website at:

https://d31scedd5hpubp.cloudfront.net/investor_files/Dividend_Distribution_Policy.pdf.

6. TRANSFER TO RESERVES

During the year under review, no amount has been transferred to the General Reserve of the Company.

7. UTILISATION OF PROCEEDS OF INITIAL PUBLIC OFFER (“IPO”)

The Company has utilised the IPO proceeds in accordance with objects of the offer as mentioned below:

(₹ in Million)

S. No	Particulars	Amount Allocated	Funds Utilized	Deviation(s) or Variation(s) in the use of proceeds of issue, if any
1	Early redemption of Non-Convertible Debentures (NCDs) issued by our Company to CDC Emerging Markets Limited (“CDCEML”), one of our Group Companies, in full.	400.00	400.00	NA
2	Capital expenditure towards setting up of new hospitals and purchase of medical equipment for such new hospitals.	1,700.00	1,700.00	NA
3	General corporate purposes	576.10	576.10	NA
Total		2676.10	2676.10	

There was no deviation or variation in the utilization of proceeds of IPO from the objects of Offer stated in the Prospectus dated May 2, 2022. Further, the detailed Monitoring Agency Report for such utilization of IPO proceeds received by the Company from its Monitoring Agency i.e., HDFC Bank, on quarterly basis affirming no deviation or variation in utilisation of the issue proceeds from the objects stated in prospectus dated May 2, 2022 was submitted to Stock Exchanges in compliance with the aforesaid regulations.

b) Allotment of 5,986 Equity shares of ₹10/- on August 22, 2024 under ‘Rainbow Children’s Medicare Limited - Employees Stock Unit Plan 2023’.

As a result of above, the Paid-up Share Capital of the Company stands at ₹ 1,01,55,16,730/- divided into 10,15,51,673 Equity Shares of ₹ 10/- as on March 31, 2025.

8. CHANGES IN SHARE CAPITAL

I) Changes in Authorized Share Capital:

During the year under review, there were no changes in the Authorized Share Capital. The Authorized Share Capital of the Company stands at ₹ 1,50,00,00,000/- divided into 15,00,00,000 Equity Shares of ₹ 10/- as on March 31, 2025.

II) Changes in Paid-up Share Capital:

During the year under review, the paid-up share capital was changed in the following manner:

a) Allotment of 44,000 Equity shares of ₹10/- each on July 17, 2024 under ‘Rainbow Children’s Medicare Limited - Employees Stock Unit Plan 2023’.

9. EMPLOYEES STOCK OPTION PLAN/ SCHEME

During the year under review, upon recommendation of Nomination and Remuneration Committee, the Board of Directors in their meeting held on February 9, 2025, has terminated the Rainbow Employee Stock Option Scheme 2021 (“ESOP Scheme 2021”) as the scheme was deferred and no options were granted under the said scheme till date.

During the year under review, there has been no material change in the ‘Rainbow Children’s Medicare Limited - Employees Stock Unit Plan 2023’ (“Stock Unit Plan”/ “Plan”) and the same was in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB & SE Regulations”). Applicable disclosures as stipulated under the SEBI SBEB & SE Regulations with regard to Stock

Unit Plan 2023 is available on the Company's website at [https://d31scedd5hpubp.cloudfront.net/investor_files/Information_as_per_SEBI_\(SBEB\)_Regulations_FY_25.pdf](https://d31scedd5hpubp.cloudfront.net/investor_files/Information_as_per_SEBI_(SBEB)_Regulations_FY_25.pdf)

Subsequent to the year under review, the members of the Company had approved the 'Rainbow Children's Medicare Limited - Employee Stock Option Scheme 2025' ("**ESOP Scheme 2025**") by passing the special resolution through Postal Ballot on April 2, 2025 for issue of options to eligible employees, which may result in an issuance of a maximum number of 10,15,000 Equity Shares i.e., 10,15,000 Options. The ESOP Scheme 2025 shall be implemented through an irrevocable employee welfare trust namely 'Rainbow Employees Welfare Trust'. Disclosures as stipulated under the SEBI SBEB & SE Regulations with regard to the ESOP Scheme 2025 is not applicable for the Financial year 2024-25.

10. SUBSIDIARIES

A report on the performance and financial position of each of the subsidiaries and their contribution to the overall performance of the Company for the Financial Year ended March 31, 2025 is set out in Form AOC-1 as per the Companies Act, 2013 and annexed herewith as **Annexure - 1** to this Report.

The annual financial statements of the subsidiaries shall also be made available to the Members of the Company/ Subsidiary Companies seeking such information at any point of time. The annual Financial Statements of the subsidiaries are available on the Company's website at <https://www.rainbowhospitals.in/investors-relations/subsidiary-financials>.

The Company has formulated a policy for determining material subsidiaries. The said policy is also available on the Company's website at: https://d31scedd5hpubp.cloudfront.net/investor_files/Policy_for_determining_Material_Subsidiary-2025.pdf

During the year under review, no Company has become or ceased to be a subsidiary, joint venture or associate of the Company.

11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

No material changes and commitments, other than disclosed as part of this report, affecting the financial position of the Company have occurred between March 31, 2025 and as on the date of the report.

12. PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits as prescribed under Chapter

V of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

13. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in prescribed format and annexed herewith as **Annexure - 2** to this Report.

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Further, the Report is being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, any shareholder interested in obtaining a copy thereof may write to the Company Secretary of the Company at companysecretary@rainbowhospitals.in.

14. AUDIT COMMITTEE

The composition of Audit Committee has been detailed in the Corporate Governance Report, forming part of this Annual Report.

All recommendations made by the Audit Committee have been accepted by the Board of Directors.

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

I. Directors

Retirement by rotation and subsequent re-appointment

Dr. Dinesh Kumar Chirla (DIN: 01395841), Whole-time Director of the Company is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and being eligible offers himself for re-appointment. Appropriate resolution for his re-appointment is being placed for the approval of the Members of the Company at this AGM.

A brief profile of Dr. Dinesh Kumar Chirla and other related information is detailed in the Notice convening the 27th AGM of your Company.

The Board considered the said re-appointment in the interest of the Company and hence recommends the same to the Members for their approval.

II. Key Managerial Personnel

In accordance with the provisions of Section 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following are the Key Managerial Personnel of the Company as on March 31, 2025.

1. Dr. Ramesh Kancharla - Chairman and Managing Director;
2. Dr. Dinesh Kumar Chirla - Whole Time Director;
3. Mr. Vikas Maheshwari - Chief Financial Officer; and
4. Ms. Shreya Mitra - Company Secretary and Compliance Officer.

During the year under review, the following Key Managerial Personnel of the Company resigned:

- Mr. Sanjeev Sukumaran, resigned from the post of Chief Operating Officer (Key Managerial Personnel) w.e.f. October 30, 2024; and
- Mr. Ashish Kapil, resigned from the post of Company Secretary and Compliance Officer (Key Managerial Personnel) of the Company w.e.f. December 14, 2024.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Ms. Shreya Mitra as the Compliance Officer of the Company w.e.f. December 15, 2024. Subsequently, she was appointed as the Company Secretary (designated as Company Secretary and Compliance Officer) (Key Managerial Personnel) of the Company w.e.f. February 9, 2025, in accordance with the provisions of Section 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the SEBI Listing Regulations.

16. BOARD'S EVALUATION

The Board of Directors has carried out an annual evaluation of (i) its own performance; (ii) Individual Directors Performance (Including Independent Directors) and (iii) Performance of all committees of the Board, pursuant to the provisions of Companies Act, 2013 and SEBI Listing Regulations.

A structured questionnaire, after taking into consideration the inputs received from Nomination and Remuneration Committee, was prepared and circulated to all the Directors for taking their responses, these questionnaires covered various aspects of

the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated. The performance evaluation of Non-Independent Directors, Board as a whole and the Chairman of the Company was evaluated in a separate meeting of Independent Directors after considering the views of Executive Directors and Non-executive Directors.

The feedback and results of the questionnaire were collated and consolidated report generated was shared with the Board for improvements. The Directors expressed their satisfaction with the evaluation process.

Further, the evaluation process confirms that the Board and its Committees continue to operate effectively and the performance of the Directors and Chairman is highly satisfactory.

17. REMUNERATION POLICY

In compliance with the provisions of Section 178 of the Companies Act, 2013, the Board has, on the recommendation of the Nomination & Remuneration Committee of the Company, framed a policy for selection and appointment of Directors, Key Managerial Personnel (KMP), Senior Management and their remuneration.

The salient features of the Policy are:

- i. It lays down the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director (Executive/ Non-Executive/ Independent) of the Company;
- ii. To recommend to the Board the policy relating to the remuneration of the Directors, KMP and Senior Management/ Other Employees of the Company; and
- iii. Reviewing and approving corporate goals and objectives relevant to the compensation of the executive Directors, evaluating their performance in light of those goals and objectives and either as a committee or together with the other independent Directors (as directed by the Board), determine and approve executive Directors' compensation based on this evaluation; making

recommendations to the Board with respect to KMP and Senior Management compensation and recommending incentive-compensation and equity-based plans that are subject to approval of the Board.

During the year under review, the policy was revised to align with amendments in the Companies Act, 2013 and SEBI Listing Regulations.

The Nomination and Remuneration Policy of the Company is available on the website of the Company and can be accessed at the following web link:

https://d31scedd5hpubp.cloudfront.net/investor_files/Nomination_and_Remuneration_PolicyFEB2025.pdf

18. NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES

The Board met Five (5) times during the Financial Year 2024-25. The details of the meetings of the Board and Committees along with its composition and respective terms of reference thereof are given in the Corporate Governance Report, which forms an integral part of this Annual Report.

19. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- I. In the preparation of the annual accounts for the Financial Year ended March 31, 2025, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- II. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2025 and of the profit of the Company for the Financial Year ended March 31, 2025;
- III. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. the annual accounts have been prepared on a 'going concern' basis;
- V. proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and

- VI. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. AUDITORS AND AUDITORS' REPORT

I. Statutory Auditors

The shareholders in the 25th AGM, approved the appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/ E300004), as the Statutory Auditors, for a period of five (5) years i.e., from the conclusion of the 25th AGM held on June 29, 2023 till the conclusion of 30th AGM of the Company.

M/s. S.R. Batliboi & Associates LLP, have confirmed that they have not been disqualified to act as Statutory Auditors of the Company and that their appointment is within the maximum ceiling limit as prescribed under Section 141 of Companies Act, 2013/ relevant statute.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force).

The Auditors' Report for the Financial Year ended March 31, 2025, does not contain any qualification, reservation or adverse remark, etc. Further the Auditors' Report being self-explanatory does not call for any further comments from the Board of Directors.

II. Maintenance of Cost Records and Cost Auditors

In terms of the Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost accounting records and get them audited every year. Accordingly such accounts and records were made, maintained and audited for the financial year 2024-25.

The Board of Directors on the basis of recommendations from Audit Committee has appointed M/s. Lavanya & Associates as the Cost Auditors of the Company for the Financial Year 2025-26 at a fee of ₹ 2,00,000/- (Rupees Two Lakhs Only) plus applicable taxes and out of pocket expenses subject to the ratification of the said fees by the shareholders at the ensuing AGM. M/s. Lavanya & Associates have applied for the formation of a new LLP under the name "Lavanya and Associates LLP" and have obtained name approval from the Institute of Cost Accountants of India (ICMAI). The registration process with the Ministry of Corporate Affairs (MCA) is currently in

progress. Upon completion of the incorporation and receipt of MCA approval, the appointment shall be deemed to have been made in favour of "Lavanya and Associates LLP" as the Cost Auditors for the Financial Year 2025-26, as if the said LLP had been appointed in place of the existing firm.

The Cost Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force).

III. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed Mr. K.V.S. Subramanyam, Company Secretary in Practice ("**Secretarial Auditor**") to conduct the Secretarial Audit of your Company for the Financial Year 2024-25.

The Secretarial Audit Report for the Financial Year ended March 31, 2025 is annexed herewith as **Annexure-3** and forms an integral part of this Annual Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark, etc.

The Secretarial Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force).

Further, pursuant to the provisions of Regulation 24A and other applicable provisions, if any, of the SEBI Listing Regulations, read with Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and based on the recommendation of the Audit Committee, the Board of Directors, at their meeting held on May 24, 2025, approved the appointment of Mr. K.V.S. Subramanyam, Company Secretary in Practice (CP No. 4815), a peer-reviewed Company Secretary in Practice, as the Secretarial Auditor of the Company for a term of five consecutive years commencing from the Financial Year 2025-26 to Financial Year 2029-30, subject to the approval of the shareholders at the ensuing AGM.

A detailed proposal for appointment of Secretarial Auditor forms part of the Notice convening this AGM.

21. ANNUAL RETURN

As required under Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the Company's website at <https://www.rainbowhospitals.in/investors-relations/shareholder-information>

22. RELATED PARTY TRANSACTIONS

In compliance with the requirements of the Companies Act, 2013 and SEBI Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at https://d31scedd5hpubp.cloudfront.net/investor_files/Policy_on_Materiality_and_Dealing_with_Related_Party_TransactionsFEB2025.pdf

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its Related Parties. All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions which are of repetitive nature and/ or entered in the Ordinary Course of Business and are at Arm's Length basis.

All related party transaction entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

23. LOANS AND INVESTMENTS

Details of Loans, Guarantees given and Investments made by the Company during Financial Year 2024-25 within the meaning of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Schedule V of the SEBI Listing Regulations, are set out in Note No. 2.2 and in Note No. 2.10 to the Standalone Financial Statements of the Company.

24. RISK MANAGEMENT

Your Company has a Risk Management Committee which monitors and reviews the risk management plan/ process of your Company. The Company has adequate risk management procedures in place. The major risks are assessed through a systematic procedure of risk identification and classification. Risks are prioritised according to significance and likelihood.

The Risk Management Committee oversees the risk management processes with respect to all probable

risks that the organization could face such as strategic, financial, liquidity, security including cyber security, regulatory, legal, reputational and other risks. The Committee ensures that there is a sound Risk Management Policy to address such risks which includes the process for identification of elements of risk, if any, which may threaten the existence of the Company. Further, there are no elements of risk which in the opinion of the Board may threaten the existence of the Company.

The details of the Risk Management Committee are given in the Corporate Governance Report which forms integral part of this Annual Report.

25. WHISTLE BLOWER POLICY AND VIGIL MECHANISM

In Compliance with the provisions of section 177 of the Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, the Company has in place the Whistle Blower Policy and Vigil Mechanism for Directors, employees and other stakeholders which provides a platform to them for raising their voice about any breach of code of conduct, financial irregularities, illegal or unethical practices, unethical behaviour, actual or suspected fraud. Adequate safeguards are provided against victimization to those who use such mechanism and direct access to the Chairman of the Audit Committee in appropriate cases is provided.

The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination is made against any person. The Whistle Blower Policy and Vigil Mechanism may be accessed on the Company's website at https://d31scedd5hpupb.cloudfront.net/investor_files/Whistle%20Blower%20Policy.pdf

26. CORPORATE SOCIAL RESPONSIBILITY

The prime objective of our Corporate Social Responsibility policy is to hasten social, economic and environmental progress. We remain focused on generating systematic and sustainable improvement for local communities surrounding our Hospitals.

The Board of Directors of your Company has formulated and adopted a policy on Corporate Social Responsibility which can be accessed at: https://d31scedd5hpupb.cloudfront.net/investor_files/CSR_Policy.pdf

The annual report on corporate social responsibility activities containing composition of CSR & ESG Committee and disclosure as per Section 134 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached and marked as **Annexure – 4** and forms part of this report.

27. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report of financial performance and results of operations of the Company, as required under the SEBI Listing Regulations is provided in a separate section and forms an integral part of this report. It inter-alia gives details of the overall industry structure, economic developments, performance and state of affairs of your Company's business, risks and concerns and material developments during the financial year under review.

28. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report, as required under the SEBI Listing Regulations, describing the initiatives taken by the Company from environment, social and governance perspective is provided in a separate section and forms an integral part of this Report.

29. CORPORATE GOVERNANCE REPORT

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. Separate report on Corporate Governance, forms an integral part of this Annual Report.

A certificate from M/s. KVSS & Co LLP, Practicing Company Secretaries, confirming compliance with the conditions of corporate governance is also attached to the Corporate Governance Report.

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

The Company has in place an Anti-Sexual Harassment Policy in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee ("ICC") as specified under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company conducts sessions for employees to build awareness amongst employees about the Policy and the provisions of Prevention of Sexual Harassment of Women at Workplace Act.

During the period under review, no complaint was received by the ICC.

31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is given below:

A. Energy Conservation:

The Company has continued its efforts to reduce its energy consumption year on year.

Some of the key measures taken by the Company are as below:

I. Energy conservation measures taken/ Utilizing alternate sources of energy:

- Commissioning of rooftop solar power systems.
- Installation of Variable Frequency Drives (VFDs) to optimize energy consumption in operations.
- Upgradation to energy-efficient LED lighting across various facilities.
- Procurement of green energy through open access arrangements.
- Sourcing of renewable energy through third-party providers.

II. Impact of Measures:

The energy conservation measures taken from time to time by your Company have resulted in considerable reduction of energy and thereby reducing the cost.

III. Capital Investment on Energy conservation Equipment:

During the year under review, the Company has spent about ₹ 47.76 Million as capital investments on various energy conservation initiatives like Solar roof tops, VFD Installation and LED Light Installations etc.

B. Technology Absorption:

I. Technology Absorption, Adaptation & Innovation:

1) Efforts made towards technology absorption:

Implementation of a robust cybersecurity framework with 24/7 SOC Monitoring Services, Penetration Testing/Breach and Attack Simulation/ Ransomware Resiliency Testing.

2) Benefits derived as a result of the above efforts:

Protection of sensitive data, regulatory compliance to various standards, and preventing financial losses from breaches or ransomware attacks. A strong cybersecurity framework will enable a secure digital transformation and long-term operational stability for the organization.

3) In case of imported technology (imported during the last three years reckoned from the beginning of the FY 2024-25): None

4) Expenditure incurred on Research and Development:

No expenditure was incurred on Research and Development by the Company during the period under review.

C. Foreign exchange earnings and outgo

S. No.	Particulars	Amount (₹ in Million)
1	Foreign Exchange Earnings	47.89
2	Foreign Exchange Outgo	71.04

32. INTERNAL FINANCIAL CONTROLS SYSTEMS AND THEIR ADEQUACY

Your Company has in place an adequate internal financial control framework with reference to financial and operating controls thereby ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information and such controls are operating effectively.

During the Financial Year 2024-25, such controls were tested and no reportable material weakness in the design or operation was observed.

The Directors have in the Directors Responsibility Statement confirmed the same to this effect.

33. DISCLOSURE RELATED TO INSOLVENCY AND BANKRUPTCY:

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year is not applicable.

34. NO DIFFERENCE IN VALUATION:

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

35. SIGNIFICANT/ MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant/ material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

36. COMPLIANCE OF SECRETARIAL STANDARDS

The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and shareholders (SS-2).

37. ACKNOWLEDGEMENT & APPRECIATION

Your Directors express their sincere appreciation for the assistance and co-operation received from the Government authorities, financial institutions, banks, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the employees.

For and on behalf of Board of Directors

Dr. Ramesh Kancharla

Chairman and Managing Director

DIN: 00212270

Place: Hyderabad

Date: May 24, 2025

ANNEXURE – 1

FORM AOC-1

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

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

PART “A”: SUBSIDIARIES

S. No.	Name of Subsidiary	Date since when subsidiary was acquired	Country of Incorporation	Reporting Currency	Closing exchange rate against Indian Rupee as on Mar 31, 2025	% of Holding	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (loss) before taxation	Provision for taxation	Profit/ (loss) after taxation	Proposed dividend
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1	Rainbow Children's Hospital Private Limited	29/11/2010	India	INR	1	100%	0.10	-0.04	0.12	0.05	0	0	0	0	0	-
2	Rainbow Speciality Hospitals Private Limited	30/11/2010	India	INR	1	78.81%	180.00	137.91	493.19	175.28	212.27	377.53	48.93	11.05	37.88	-
3	Rainbow Women & Children's Hospital Private Limited	13/12/2010	India	INR	1	100%	0.10	-0.10	0.05	0.05	0	0	0.01	0.01	0.00	-
4	Rosewalk Healthcare Private Limited	18/12/2018	India	INR	1	100%	360.47	-407.63	193.75	240.91	0	321.20	23.63	0	23.63	-
5	Rainbow Fertility Private Limited	05/08/2019	India	INR	1	100%	45.00	10.54	56.50	0.96	0	0	3.79	0.95	2.84	-
6	Rainbow C R O Private Limited	14/11/2019	India	INR	1	100%	0.10	3.81	4.82	0.91	0	4.05	2.81	0.74	2.07	-

The reporting period for all the subsidiaries is March 31, 2025.

PART “B”: ASSOCIATES AND JOINT VENTURES:

As on March 31, 2025 the Company has no Associates and Joint Ventures.

For and on behalf of the Board of Directors of Rainbow Children's Medicare Limited

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Dr. Dinesh Kumar Chirla
Whole-Time Director
DIN: 01395841

Vikas Maheshwari
Chief Financial Officer

Shreya Mitra
Company Secretary & Compliance Officer

Place: Hyderabad
Date: May 24, 2025

ANNEXURE – 2

Disclosures pertaining to remuneration under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2025.

A. The ratio of the remuneration paid to each director during the year to the median remuneration of the employees of the Company for the Financial Year:

S. No.	Name of the Director	Category	Ratio of Remuneration to the median remuneration of the employees
1.	Dr. Ramesh Kancharla	Chairman & Managing Director	129
2.	Dr. Dinesh Kumar Chirla	Whole-time Director	79
3.	Dr. Adarsh Kancharla	Non – Executive Director	1
4.	Mr. Aluri Srinivasa Rao	Independent Director	5
5.	Dr. Anil Dhawan	Independent Director	5
6.	Mr. Santanu Mukherjee	Independent Director	6
7.	Ms. Sundari R. Pisupati	Independent Director	5

B. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary, in the Financial Year:

S. No.	Name	Designation	% Increase in Remuneration in the Financial Year
1.	Dr. Ramesh Kancharla	Chairman & Managing Director	(32.70)
2.	Dr. Dinesh Kumar Chirla	Whole-time Director	(19.82)
3.	Dr. Adarsh Kancharla	Non – Executive Director	Nil
4.	Mr. Aluri Srinivasa Rao	Independent Director	Nil
5.	Dr. Anil Dhawan	Independent Director	Nil
6.	Mr. Santanu Mukherjee	Independent Director	Nil
7.	Ms. Sundari R. Pisupati	Independent Director	Nil
8.	Mr. Sanjeev Sukumaran ¹	Chief Operating Officer	Not Applicable*
9.	Mr. Vikas Maheshwari	Chief Financial Officer	6.5
10.	Mr. Ashish Kapil ²	Company Secretary & Compliance Officer	Not Applicable*
11.	Ms. Shreya Mitra ³	Company Secretary & Compliance Officer	Not Applicable*

* Associated for part of year. Hence, % increase in remuneration is not applicable.

¹ Mr. Sanjeev Sukumaran resigned from the post of Chief Operating Officer of the Company w.e.f. October 30, 2024.

² Mr. Ashish Kapil resigned from the post of Company Secretary & Compliance Officer of the Company w.e.f. December 14, 2024.

³ Ms. Shreya Mitra was appointed as Compliance Officer of the Company w.e.f. December 15, 2024 and as Company Secretary w.e.f. February 9, 2025.

C. Percentage increase in the median remuneration of employees in the Financial Year:

The average percentage increase in the median remuneration of employees in the Financial Year is 8.2%

D. Number of permanent employees on the rolls of the Company:

The number of permanent employees on the rolls of the Company as of March 31, 2025 is 3,972.

E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in the salaries of employees other than Managerial Personnel was 7.4%. The above table contain the details of remuneration paid to the managerial personnel. The remuneration paid to managerial personnel is basis prevailing market trends, Company Performance and overall responsibility matrix and the same is in line with the resolutions approved by the Board of Directors and/or Shareholders.

F. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is hereby confirmed that the remuneration is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of Board of Directors

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Place: Hyderabad

Date: May 24, 2025

ANNEXURE – 3

Form No. MR-3

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

To
The Members,
RAINBOW CHILDREN'S MEDICARE LIMITED
Hyderabad

I have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RAINBOW CHILDREN'S MEDICARE LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2025**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **March 31, 2025**, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, ~~Overseas Direct Investment~~ and ~~External Commercial borrowings~~;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not applicable to the Company during the audit period**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not applicable to the Company during the audit period and**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable to the Company during the audit period**

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;

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

I further report that

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

Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on the agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period under review, resolutions were carried out through majority. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the meetings held during the period under review.

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

I further report that after the closure of the financial year and before the date of this report the Company has approved the 'Rainbow Children's Medicare Limited - Employee Stock Option Scheme 2025' through Postal Ballot.

K.V.S. Subramanyam
Practicing Company Secretary
FCS No.: 5400
C P No.: 4815

Date: May 24, 2025 **PR. No:** I2002AP30800 (5725/2025)
Place: Hyderabad **UDIN:** F005400G000428394

Note: This report is to be read with my letter of even date which is annexed as 'Annexure' and forms an integral part of this report.

Annexure

To
The Members,
RAINBOW CHILDREN'S MEDICARE LIMITED
Hyderabad

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I follow provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on a test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. I further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit, in my opinion adequate systems and process and control mechanism exists in the Company to monitor compliance with applicable laws.
8. I further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws, Labour Laws, General and other specific Laws as may be applicable to the Company, have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

Date: May 24, 2025
Place: Hyderabad

K.V.S. Subramanyam
Practicing Company Secretary
FCS No.: 5400
C P No.: 4815
PR. No: I2002AP30800 (5725/2025)
UDIN: F005400G000428394

ANNEXURE – 4

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The Company approach towards Corporate Social Responsibility ("CSR") is based upon its core values, which include fostering inclusive growth by sharing some of the wealth we create with the society at large. CSR has always been and shall always be an integral and strategic part of our business process. It is a vital constituent of our Company's commitment to sustainability. True to the spirit of our vision, we strive to utilize the potential of human and natural capital around us in a manner that facilitates social, economic and environmental progress. The Company aims to be a good corporate citizen by subscribing to the principles of integrating its economic, environmental and social objectives, and effectively utilizing its own

resources towards improving the quality of life and building capacities of the local communities, society at large and various Stakeholders.

In accordance with the Companies Act, 2013, your Company has committed 2% (Average Net Profit) annually towards CSR initiatives. The CSR Policy of your Company outlines the approach and direction given by the Board, taking into account the recommendations of its CSR & ESG Committee, and includes guiding principles for selection, implementation and monitoring of CSR activities as well as formulation of the CSR annual action plan. Our CSR Activities focus on promoting Health care, Education, Sports and Rural & Skill Development programmes.

2. Composition of CSR & ESG Committee:

The CSR & ESG Committee comprises of following members as on March 31, 2025:

Sl. No	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR & ESG Committee held during the year	Number of meetings of CSR & ESG Committee attended during the year
1.	Dr. Anil Dhawan	Chairman (Independent Director)	2	2
2.	Dr. Ramesh Kancharla	Member (Chairman & Managing Director)	2	2
3.	Dr. Dinesh Kumar Chirla	Member (Whole-time Director)	2	2
4.	Dr. Adarsh Kancharla	Member (Non – Executive Director)	2	2
5.	Mr. Santanu Mukherjee	Member (Independent Director)	2	2
6.	Ms. Sundari R. Pisupati	Member (Independent Director)	2	1

3. The web-link(s) where Composition of CSR & ESG Committee, CSR policy and CSR projects approved by the board are disclosed on the website of the company are provided below:

Composition of the CSR & ESG Committee:	https://www.rainbowhospitals.in/investors-relations/board-&-board-committees
CSR Policy:	https://d31scedd5hpubp.cloudfront.net/investor_files/CSR_Policy.pdf
CSR Projects as approved by the Board:	https://d31scedd5hpubp.cloudfront.net/investor_files/CSR_Projects_approved_by_the_Board.pdf

4. Executive summary along with the web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable.

5. (a) Average net profits of the Company as per sub-section (5) of section 135: ₹ 2,50,59,83,333/-
- (b) Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹ 5,01,19,667/-
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Nil
- (d) Amount required to be set off for the financial year, if any – Nil
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]. – ₹ 5,01,19,667/-
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 38,67,640/-
- (b) Amount spent in Administrative Overheads: ₹ 19,94,441/-
- (c) Amount spent on Impact Assessment, if applicable: Nil
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 58,62,081/-
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (In ₹)	Amount Unspent (In ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 58,62,081/-	₹ 4,42,57,586/-	April 15, 2025	Not Applicable	Nil	Not Applicable

- (f) Excess amount for set-off, if any:

Sl. No	Particular	Amount (In ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	5,01,19,667
(ii)	Total amount spent for the Financial Year	58,62,081
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount	Date of transfer.		
1.	2023-24	2,18,00,000	2,18,00,000	-	NA	NA	2,18,00,000	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:☐ Yes ☒ NoIf Yes, enter the number of Capital assets created/ acquired: **Not Applicable.****Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR Amount spent	Details of Company/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

Not Applicable*(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries).***9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135. Not Applicable**For **Rainbow Children's Medicare Limited****Dr. Ramesh Kancharla**
Chairman and Managing Director
DIN: 00212270**Place:** Hyderabad
Date: May 24, 2025**Dr. Anil Dhawan**
Chairman of CSR & ESG Committee
DIN: 08191702**Place:** London, UK
Date: May 24, 2025

Report on Corporate Governance

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is creation and enhancing long term sustainable value for the stakeholders through ethically driven business process. It implies governances with the highest standards of professionalism, integrity, accountability, fairness, transparency, social responsiveness and business ethics for efficient and ethical conduct of business. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last.

The Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practice. The Company also places great emphasis on values such as empowerment and integrity of its employees, safety of the employees and communities surrounding its Hospitals, transparency in decision making process, fair and ethical dealings with all and accountability to all the stakeholders. The Company doesn't practice Corporate Governance as an act of compliance but with the spirit of governance.

We believe that our Company has gone beyond adherence to regulatory framework. Our corporate structure, business, operations, disclosure practices and systems have been strictly aligned to our corporate governance principles. We believe our system driven performance and performance-oriented systems protect the interests of all our stakeholders.

II. GOVERNANCE STRUCTURE



III. BOARD OF DIRECTORS

Our Board composition comprises of experts in various domains such as Corporate Governance, Healthcare Industry, Legal & Compliances, Information Technology, Finance & Accounts, Risk Management, ESG & Sustainability and HR Management. Our Board has an appropriate mix of Executive, Non – Executive and Independent Director(s) to maintain its independence, and separate its functions of governance and management.

As on March 31, 2025, the Board of Directors of your Company comprised of 7 Directors out of which 2 are Executive, 1 is Non-Executive Non-Independent and 4 are Independent Directors.

The names and categories of Directors on the Board during the Financial Year 2024-25, their attendance at Board Meetings held during the Financial Year 2024-25 and at the last Annual General Meeting and the number of Directorships and Committees Chairmanships/ Memberships held by them as on March 31, 2025 are given hereunder:

Name of Director	Category#	Attendance Particulars			No. of other Directorships and Committee Memberships/ Chairmanships			Name of the Listed Companies where Company's Director is also a Director	
		Board Meetings		Last AGM held on 30.07.2024	Other Directorships*	Committee Memberships**	Committee Chairmanships**	Name of Listed Company	Category of Directorship
		Entitled	Attended						
Dr. Ramesh Kancharla (DIN: 00212270)	Chairman & PED	5	5	Yes	6	1	-	-	-
Dr. Dinesh Kumar Chirla (DIN: 01395841)	PED	5	5	Yes	6	-	-	-	-
Dr. Adarsh Kancharla (DIN: 08302615)	PNED	5	5	Yes	1	-	-	-	-

Name of Director	Category#	Attendance Particulars			No. of other Directorships and Committee Memberships/ Chairmanships			Name of the Listed Companies where Company's Director is also a Director	
		Board Meetings		Last AGM held on 30.07.2024	Other Directorships*	Committee Memberships**	Committee Chairmanships**	Name of Listed Company	Category of Directorship
		Entitled	Attended						
Mr. Aluri Srinivasa Rao (DIN: 00147058)	IDNE	5	4	Yes	4	-	-	-	-
Dr. Anil Dhawan (DIN: 08191702)	IDNE	5	5	Yes	-	-	-	-	-
Mr. Santanu Mukherjee (DIN: 07716452)	IDNE	5	5	Yes	7	8	4	1. Suven Life Sciences Limited 2. Bandhan Bank Limited 3. Sumedha Fiscal Services Limited 4. Aurobindo Pharma Ltd 5. NACL industries Ltd	IDNE IDNE IDNE IDNE IDNE
Ms. Sundari R. Pisupati (DIN: 01908852)	IDNE	5	4	Yes	2	2	-	-	-

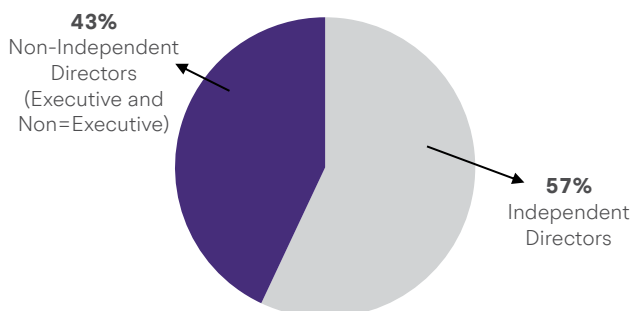
PED - Promoter Executive Director, PNED – Promoter Non-Executive Director, IDNE - Independent Non-Executive Director,

Notes:

* Excludes Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

** For the purpose of considering the limit of Committee Memberships and Chairmanships of a Director, Audit Committee and Stakeholders Relationship Committee of other Indian Public Companies have only been considered.

Composition of Board



None of our Directors are related to each other, except Dr. Ramesh Kancharla and Dr. Adarsh Kancharla. Dr. Ramesh Kancharla is father of Dr. Adarsh Kancharla.

The number of directorships, Committee Chairmanships and memberships of each director is in compliance with the relevant provisions of the Companies Act, 2013 ("Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Shareholding of Non-Executive Directors of the Company as on March 31, 2025

The shareholding of Non-Executive Directors as on March 31, 2025 is as follows:

S. No	Name of the Director	Category#	No. of Equity Shares held
1	Dr. Adarsh Kancharla	PNED	61,10,432
2	Mr. Aluri Srinivasa Rao	IDNE	Nil
3	Dr. Anil Dhawan	IDNE	Nil
4	Mr. Santanu Mukherjee	IDNE	Nil
5	Ms. Sundari R. Pisupati	IDNE	Nil

PNED – Promoter Non-Executive Director, IDNE – Independent Non-Executive Director.

Number of Board Meetings

During the Financial Year 2024-25, Five (5) meetings of the Board of Directors were held and the maximum time gap between two consecutive meetings did not exceed one hundred and twenty (120) days.

S. No	Date(s) on which meeting(s) were held
1	May 19, 2024
2	August 13, 2024
3	October 27, 2024
4	February 9, 2025
5	March 22, 2025

As on March 31, 2025, none of the Non-Executive Directors of the Company were holding any convertible instruments in the Company.

Familiarisation Programme for the Independent Directors

The Company conducts Familiarization Programme for Independent Directors to provide them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles and responsibilities. They have full opportunity to interact with Senior Management Personnel and are provided all

documents required and sought by them for enabling them to have a good understanding of the Company, its various operations and the industry of which it is a part.

The details of familiarisation programmes imparted to the Independent Directors of the Company has been disclosed on the website of the Company and can be accessed through the following link at:

<https://www.rainbowhospitals.in/investors-relations/policies-and-programs>

Core skills/ expertise/ competencies of Board of Directors

In context of your Company's business and sector, the Board of Directors have identified the following:

- Core skills/ expertise/ competencies for it to function effectively
- Directors who possess such core skills/ expertise/ competencies

S. No	Skills/ Expertise/ Competencies	Brief Descriptions
1	Leadership Experience	Strong management and leadership experience in leading well-governed large organization in the areas of business development, strategic planning and mergers & acquisitions and have visionary with strategic goal for the Company to identify possible road maps, inspire and motivate the strategy, approach, processes and other such key deliverables and mentor the leadership team to channelize its energy/ efforts in appropriate direction and thought to be a leader and a role model in good governance and ethical conduct of business, while encouraging the organisation to maximise stakeholders value having hands on experience of leading an entity at the highest level.
2	Industry knowledge and experience	Indepth knowledge in the Healthcare Industry.
3	Information Technology	Information Technology expertise with knowledge of current and emerging technologies.
4	Governance including legal compliance	Experience in developing and implementing good corporate governance practices, maintaining accountability of Board and its management, managing stakeholders interest and responsibility towards customers, employees, suppliers, regulatory bodies etc. to support the Company's legal compliance systems and governance policies/ practices.
5	Expertise/ Experience in Finance/ Risk Management areas	Knowledge and skills in accounting and finance, business judgment, general management practices and processes, crisis response and management, industry knowledge, macro- economic perspectives, human resources, labour laws, international markets, sales and marketing, and risk management.
6	ESG & Sustainability	Experienced in overseeing ESG & Sustainability matters, including Corporate Social Responsibility, while possessing understanding of diverse and global sustainability and ESG practices, enabling effective alignment with the Company growth strategy.
7	Human Resource management	Experience in the Human Resource Management with understanding of employment laws.

Given below is a list of core skills, expertise and competencies of the individual Directors

Name of Director(s)	Skills/ Expertise/ Competencies						
	Leadership Experience	Industry knowledge and experience	Information Technology	Governance including legal compliance	Expertise/ Experience in Finance / Risk Management areas	ESG & Sustainability	Human Resource Management
Dr. Ramesh Kancharla	√	√	√	√	√	√	√
Dr. Dinesh Kumar Chirla	√	√	√	√	√	√	√
Dr. Adarsh Kancharla	-	√	√	√	√	√	-

Name of Director(s)	Skills/ Expertise/ Competencies						
	Leadership Experience	Industry knowledge and experience	Information Technology	Governance including legal compliance	Expertise/ Experience in Finance / Risk Management areas	ESG & Sustainability	Human Resource Management
Mr. Aluri Srinivasa Rao	√	√	√	√	√	√	√
Dr. Anil Dhawan	√	√	√	√	√	√	√
Ms. Sundari R. Pisupati	√	-	√	√	√	√	√
Mr. Santanu Mukherjee	√	-	√	√	√	√	√

Confirmation of Independence

All the Independent Directors of the Company have given declaration/ disclosures under section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations and have confirmed that they fulfil the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

Further, the Board after taking these declaration/ disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise, skills and experience to qualify as Independent Directors of the Company and are Independent of the Company's Management.

IV. BOARD COMMITTEES:

The Company has Six (6) Committees of the Board as on March 31, 2025, namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, CSR & ESG Committee, Risk Management Committee and Treasury Management Committee.

Name	Designation	Audit Committee	Risk Management Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	CSR & ESG Committee	Treasury Management Committee
Mr. Aluri Srinivasa Rao	Independent Director					-	-
Dr. Anil Dhawan	Independent Director		-				-
Mr. Santanu Mukherjee	Independent Director				-		
Ms. Sundari R. Pisupati	Independent Director		-				-
Dr. Ramesh Kancharla	Chairman & Managing Director	-		-			
Dr. Dinesh Kumar Chirla	Whole-Time Director	-	-	-	-		-
Dr. Adarsh Kancharla	Non-Executive Director	-		-	-		-
Mr. Vikas Maheshwari	Group Chief Financial Officer (KMP)	-		-	-	-	

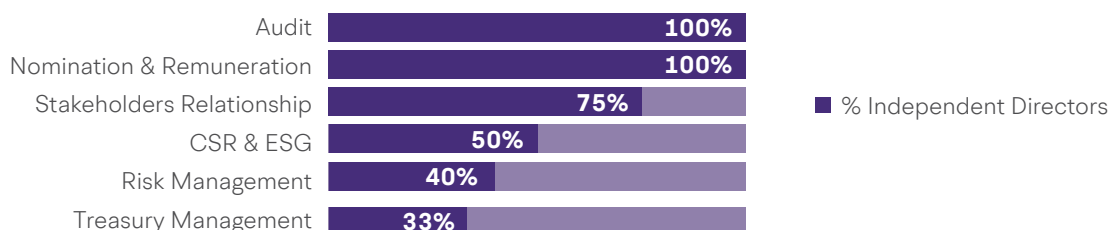


Chairperson



Member

Committees of the board



A. AUDIT COMMITTEE:

Your Company has duly constituted Audit Committee and its composition meets the requirements of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

All members of the Committee are financially literate and have accounting or related financial management expertise.

During the Financial Year 2024-25, the Audit Committee met 4 (Four) times on May 19, 2024, August 13, 2024, October 27, 2024 and February 9, 2025.

The composition of the Audit Committee and the attendance details of the members as on March 31, 2025 are given below:-

Names of Members	Category*	Position	No. of meetings attended
Mr. Santanu Mukherjee	IDNE	Chairman	4
Mr. Aluri Srinivasa Rao	IDNE	Member	3
Dr. Anil Dhawan	IDNE	Member	4
Ms. Sundari R. Pisupati	IDNE	Member	3

*IDNE – Independent Non-Executive Director.

Ms. Shreya Mitra, Company Secretary & Compliance Officer of the Company is the Secretary of the Committee.

In addition to the members of Audit Committee, these meetings are also attended by Chairman & Managing Director, Whole-Time Director, Non-Executive Director, Chief Operating Officer, Chief Financial Officer, Internal Auditors, Statutory Auditors and other executives considered necessary for providing inputs to the Committee.

Terms of reference

The terms of reference, inter-alia, includes the following:

(i) The Audit Committee shall have powers, which should include the following:

- (a) To investigate any activity within its terms of reference;
- (b) To seek information from any employee of the Company;
- (c) To obtain outside legal or other professional advice;
- (d) To secure attendance of outsiders with relevant expertise if it considers necessary; and
- (e) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

(ii) The role of the Audit Committee shall include the following:

- (a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial

information to ensure that the financial statement is correct, sufficient and credible;

(b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;

(c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;

(d) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
- (ii) Changes, if any, in accounting policies and practices and reasons for the same;
- (iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
- (iv) Significant adjustments made in the financial statements arising out of audit findings;
- (v) Compliance with listing and other legal requirements relating to financial statements;
- (vi) Disclosure of any related party transactions; and

- (vii)** Qualifications / modified opinion(s) in the draft audit report.
- (e)** Reviewing, with the management, the quarterly, half yearly and annual financial statements before submission to the board for approval;
- (f)** Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the issue document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (g)** Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (h)** Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- (i)** Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- (j)** Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (k)** Scrutiny of inter-corporate loans and investments;
- (l)** Undertaking or supervising valuation of undertakings or assets of the company, wherever it is necessary;
- (m)** Evaluation of internal financial controls and risk management systems;
- (n)** Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (o)** Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (p)** Discussion with internal auditors of any significant findings and follow up thereon;
- (q)** Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (r)** Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (s)** Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (t)** Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (u)** Reviewing the functioning of the whistle blower mechanism;
- (v)** Approval of the appointment of the Chief Financial Officer of the Company ("CFO") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
- (w)** Carrying out any other functions as provided under the provisions of the Companies Act, 2013 the SEBI Listing Regulations and other applicable laws;
- (x)** To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;
- (y)** Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- (z)** Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- (aa)** Reviewing the utilization of loans and/or advances from/investment by the Company in the subsidiaries exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- (bb)** To consider and comment on rationale, cost-benefits and impact of schemes involving

merger, demerger, amalgamation etc. on the Company and its shareholders and;

(cc) Carrying out any other functions as may be required / mandated and/or delegated by the Board as per the provisions of the Companies Act, 2013, SEBI Listing Regulations, uniform listing agreements and/or any other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties."

(iii) The Audit Committee shall mandatorily review the following information:

- (a) Management's discussion and analysis of financial condition and results of operations;
- (b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;
- (c) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;
- (d) Internal audit reports relating to internal control weaknesses;
- (e) The appointment, removal and terms of remuneration of the chief internal auditor;

(f) Statement of deviations:

- i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
- ii. annual statement of funds utilised for purposes other than those stated in the issue document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations;

(g) To review the financial statements, in particular, the investments made by any unlisted subsidiary; and

(h) Such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

B. NOMINATION & REMUNERATION COMMITTEE

Your Company has a duly constituted Nomination & Remuneration Committee and its composition meets the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

During the Financial Year 2024-25, the Committee met 5 (Five) times on May 16, 2024, May 19, 2024, August 13, 2024, October 27, 2024 and February 9, 2025.

The composition of the Nomination & Remuneration Committee and the attendance details of the members as on March 31, 2025 are given below:-

Names of Members	Category*	Position	No. of meetings attended
Mr. Aluri Srinivasa Rao	IDNE	Chairman	4
Dr. Anil Dhawan	IDNE	Member	5
Mr. Santanu Mukherjee	IDNE	Member	5
Ms. Sundari R. Pisupati	IDNE	Member	5

*IDNE - Independent Non-Executive Director.

Ms. Shreya Mitra, Company Secretary & Compliance Officer of the Company is the Secretary of the Committee.

Terms of Reference

The terms of reference of the Nomination & Remuneration Committee, inter alia, includes the following:

- (a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
- (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay, reflecting the short and long term

- performance objectives appropriate to the working of the Company and its goals.
- (b) Formulation of criteria for evaluation of performance of independent directors and the Board;
- (c) Devising a policy on Board diversity;
- (d) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
- (e) Analysing, monitoring and reviewing various human resource and compensation matters, including the compensation strategy;
- (f) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment.
- (g) Recommending the remuneration, in whatever form, payable to non-executive directors and the senior management personnel and other staff (as deemed necessary);
- (h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- (i) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (j) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (k) Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") including the following:
- i. Determining the eligibility of employees to participate under the ESOP Scheme;
 - ii. Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
 - iii. Date of grant;
 - iv. Determining the exercise price of the option under the ESOP Scheme;
 - v. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
 - vi. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
 - vii. The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
 - viii. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
 - ix. Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
 - x. The grant, vest and exercise of option in case of employees who are on long leave;
 - xi. Allow exercise of unvested options on such terms and conditions as it may deem fit;
 - xii. The procedure for cashless exercise of options;
 - xiii. Forfeiture/ cancellation of options granted;
 - xiv. Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
 - the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
 - for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.
- (l) Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") and any agreements defining the rights and obligations of the Company and eligible employees under

the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

- (m) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
- a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
 - b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended, by the Company and its employees, as applicable;
- (n) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended by the Nomination and Remuneration Committee; and
- (o) Such terms of reference as may be prescribed under the Companies Act, SEBI Listing Regulations or other applicable laws or by any other regulatory authority.

Performance evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations the Board has carried out the annual evaluation of (i) its own performance; (ii) Individual Directors Performance (Including Independent Directors) and (iii) Performance of all committees of the Board, for the Financial Year 2024-25.

A structured questionnaire, after taking into consideration the inputs received from Nomination and Remuneration Committee, was prepared and circulated to all the Directors for taking their responses, these questionnaires covered various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated. The performance evaluation of Non-Independent Directors, Board as a whole and the Chairman of the Company was evaluated in a separate meeting of Independent Directors after considering the views of executive Directors and non-executive Directors.

The feedback and results of the questionnaire were collated and consolidated report generated was shared with the Board for improvements. The Directors expressed their satisfaction with the evaluation process.

Further, the evaluation process confirms that the Board and its Committees continue to operate effectively and the performance of the Directors and Chairman is highly satisfactory.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

Your Company has a duly constituted Stakeholders Relationship Committee and its composition meets the requirements of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations.

During the Financial Year 2024-25, the Committee met 1 (one) time on October 27, 2024.

The composition of the Stakeholders Relationship Committee and the attendance details of the members as on March 31, 2025 are given below:-

Names of Members	Category*	Position	No. of meetings attended
Ms. Sundari R. Pisupati	IDNE	Chairperson	1
Dr. Ramesh Kancharla	Chairman & PED	Member	1
Mr. Aluri Srinivasa Rao	IDNE	Member	-
Dr. Anil Dhawan	IDNE	Member	1

*IDNE - Independent Non-Executive Director; PED – Promoter Executive Director.

Ms. Shreya Mitra, Company Secretary & Compliance Officer of the Company is the Secretary of the Committee.

Terms of Reference

The terms of reference of the Stakeholders Relationship Committee, inter alia, includes the following:

- (a) Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, dematerialisation and re-materialisation of shares, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., assisting with quarterly reporting of such complaints and formulating procedures in line with statutory guidelines to ensure speedy disposal of various requests received from shareholders;
- (b) Reviewing of measures taken for effective exercise of voting rights by shareholders;
- (c) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- (d) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- (e) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- (f) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of our Company and to recommend measures for overall improvement in the quality of investor services;
- (g) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority;
- (h) To approve allotment of shares, debentures or any other securities as per the authority conferred /

to be conferred to the Committee by the Board of Directors from time to time;

- (i) To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures and other securities;
- (j) To monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company; and
- (k) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

Compliance Officer

Ms. Shreya Mitra, Company Secretary, is the Compliance Officer of the Company. Her contact details are as follows:

Rainbow Children's Medicare Limited

8-2-19/1/A, Daulet Arcade,
Road No.11, Banjara Hills,
Hyderabad - 500034, Telangana.

Telephone No: +91 40 49692244

E-mail: companysecretary@rainbowhospitals.in

The details of shareholders' complaints received and resolved during the Financial Year ended March 31, 2025 are given in the table below:

Particulars	No of Investor Complaints
Number of Shareholders' complaints outstanding as at April 1, 2024	0
Number of shareholders' complaints received during the Financial Year	12
Number of shareholders' complaints resolved to the satisfaction of shareholders during the Financial Year	12
Number of pending shareholders' complaints as at March 31, 2025	0

D. RISK MANAGEMENT COMMITTEE

Your Company has duly constituted a Risk Management Committee and its composition meets the requirements of Regulation 21 of the SEBI Listing Regulations.

During the Financial Year 2024-25, the Committee has met 2 (Two) times on September 28, 2024 and March 22, 2025.

The composition of the Risk Management Committee and the attendance details of the Members as on March 31, 2025 are given below:

Names of Members	Category*	Position	No. of meetings attended
Mr. Santanu Mukherjee	IDNE	Chairman	2
Dr. Ramesh Kancharla	Chairman & PED	Member	2
Dr. Adarsh Kancharla	PNED	Member	1
Mr. Aluri Srinivasa Rao	IDNE	Member	2
Mr. Sanjeev Sukumaran ¹	COO	Member	1
Mr. Vikas Maheshwari	CFO	Member	2

*IDNE - Independent Non-Executive Director; PED – Promoter Executive Director; PNED – Promoter Non-Executive Director; COO – Chief Operating Officer; CFO- Chief Financial Officer;

¹ Ceased to be Member of the Committee w.e.f October 30, 2024.

Ms. Shreya Mitra, Company Secretary & Compliance Officer of the Company is the Secretary of the Committee.

Terms of Reference:-

The terms of reference of the Risk Management Committee, includes the following:

- (a) To periodically review the risk management policy at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (b) To formulate a detailed risk management policy covering risk across functions and plan integration through training and awareness programmes;
- (c) The policy shall include:
 1. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, environment, social and governance related risks), information, cyber security risks or any other risk as may be determined by the committee;
 2. Measures for risk mitigation including systems and processes for internal control of identified risks;
 3. Business continuity plan.
- (d) To approve the process for risk identification and mitigation;
- (e) To decide on risk tolerance and appetite levels, recognizing contingent risks, inherent and residual risks including for cyber security;
- (f) To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;
- (g) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

- (h) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (i) To approve major decisions affecting the risk profile or exposure and give appropriate directions;
- (j) To consider the effectiveness of decision making process in crisis and emergency situations;
- (k) To balance risks and opportunities;
- (l) To generally, assist the Board in the execution of its responsibility for the governance of risk;
- (m) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (n) To consider the appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee;
- (o) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
- (p) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;
- (q) To attend to such other matters and functions as may be prescribed by the Board from time to time; and
- (r) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

E. CSR & ESG COMMITTEE

Your Company has a duly constituted CSR & ESG Committee and its composition meets the requirements of Section 135 of the Act.

During the Financial Year 2024-25, the Committee met 2 (Two) times on May 18, 2024 and March 22, 2025.

The composition of the CSR & ESG Committee and the attendance details of the members as on March 31, 2025 are given below:-

Names of Members	Category*	Position	No. of meetings attended
Dr. Anil Dhawan	IDNE	Chairman	2
Dr. Ramesh Kancharla	Chairman & PED	Member	2
Dr. Dinesh Kumar Chirla	PED	Member	2
Dr. Adarsh Kancharla	PNED	Member	2
Mr. Santanu Mukherjee	IDNE	Member	2
Ms. Sundari R. Pisupati	IDNE	Member	1

*IDNE - Independent Non-Executive Director; PED – Promoter Executive Director; PNED – Promoter Non-Executive Director.

Ms. Shreya Mitra, Company Secretary & Compliance Officer of the Company is the Secretary of the Committee.

Terms of Reference:-

As the name of Corporate Social Responsibility Committee was changed to CSR & ESG Committee, the revised terms of reference of the CSR & ESG Committee, inter alia, includes the following:

CSR:

(a) To formulate and recommend to the Board, a corporate social responsibility policy stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board, The annual action plan shall include following:

- (i) the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
- (ii) the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act;
- (iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (iv) monitoring and reporting mechanism for the projects or programmes; and
- (v) details of need and impact assessment, if any, for the projects undertaken by the Company.

(b) Recommending the amount of expenditure to be incurred, which should be at least 2% of the average net profit of the Company in the three immediately preceding financial years or where the Company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years;

(c) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(d) To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(e) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(f) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

(g) To perform such other duties and functions as the Board may require the CSR & ESG Committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR & ESG Committee in terms of the provisions of Section 135 of the Companies Act;

(h) To take note of the progress made by implementing agency (if any) appointed for the corporate social responsibility of the Company; and

(i) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

ESG:

(a) Review and assess the company's current ESG performance and identify areas of improvements.

(b) Develop, update and recommend the ESG policies, strategies, and initiatives in alignment with the company's overall business objectives.

(c) Evaluate and recommend ESG related targets and key performance indicators (KPIs) for the company's operational units.

(d) Ensure that the ESG strategy is properly reflected in the business planning and budgeting process

and that business leaders are clear about their accountability for embedding ESG activities in their respective scorecard goals;

- (e) Identify potential ESG related risks and develop mitigation strategies to address these risks proactively, together with the Risk Management Committee.
- (f) Develop and implement a stakeholder engagement strategy to understand and address the ESG concerns of investors, employees, communities, and other relevant stakeholders.
- (g) Review and noting of the Business Responsibility and Sustainability Report or any other similar report.
- (h) Develop and implement the green & sustainable initiatives to minimize the company's environmental footprint, including energy efficiency, waste reduction, and sustainable sourcing.
- (i) Monitor the implementation of ESG initiatives, ensuring compliance with relevant regulations & standards.
- (j) Oversee the company's ESG reporting and disclosure, ensuring clear, transparent, and accurate communication of ESG performance to stakeholders.

The composition of the Treasury Management Committee and the attendance details of the Members as on March 31, 2025 are given below:

Names of Members	Category*	Position	No. of meetings attended
Dr. Ramesh Kancharla	Chairman & PED	Chairman	2
Mr. Santanu Mukherjee	IDNE	Member	2
Mr. Vikas Maheshwari	CFO	Member	2

* PED – Promoter Executive Director, IDNE - Independent Non-Executive Director; CFO- Chief Financial Officer.

Ms. Shreya Mitra, Company Secretary & Compliance Officer of the Company is the Secretary of the Committee.

Terms of Reference:-

The terms of reference of the Treasury Management Committee, includes the following:

- a) To ensure that the company's treasury operations are conducted in a safe, efficient, and cost-effective manner.
- b) Review and approve the company's annual treasury plan, including cash flow projections, investment strategies, and borrowing requirements.
- c) Review and approve all significant treasury transactions, including investments, borrowings, and foreign exchange transactions.
- d) Monitor the company's cash position and investment portfolio, ensuring compliance with investment guidelines and maximizing returns on investments.

- (k) Undertake periodic audits and assessments of the company's ESG performance to ensure continuous improvement and adherence to established standards.
- (l) Monitor and respond to emerging regulatory changes related to ESG, ensuring the company remains compliant and proactive in adjusting policies and practices accordingly.
- (m) Do all acts, deeds & things incidental and deemed necessary for achievement of ESG goals, targets and strategy of the Company.
- (n) Such terms of reference as may be prescribed by the Board from time to time.

F. TREASURY MANAGEMENT COMMITTEE

The Board has constituted a Treasury Management Committee to direct and provide comprehensive oversight to the Company's treasury operations. The committee is responsible for ensuring the effective management of these operations, which includes monitoring cash positions and investment portfolios, assessing and managing financial risks etc.

During the Financial Year 2024-25, the Committee has met 2 (Two) times on August 12, 2024 and February 8, 2025.

- e) Assess and manage the company's financial risks, including interest rate risk, foreign exchange risk, and credit risk.
- f) Review the company's debt position, including the amount and type of debt, maturity dates, and interest rates.
- g) Develop and implement strategies to manage the company's liquidity, including cash management, working capital management, and short-term funding.
- h) Develop and implement strategies to manage the company's capital structure, including maintaining an appropriate debt-to-equity ratio.
- i) Review and recommend changes to the company's banking relationships, including negotiating banking terms and conditions.
- j) Such terms of reference as may be prescribed by the Board from time to time.

V. SENIOR MANAGEMENT:

Particulars of Senior Management as on March 31, 2025:

S. No	Name of Senior Management	Designation*	Change (Appointment/ Resignation) during FY 2024-25
1	Mr. Vikas Maheshwari	CFO (KMP)	-
2	Dr. Prashanth K	GMD	-
3	Ms. Shreya Mitra	CS & CO (KMP)	Appointed as CO w.e.f December 15, 2024 & as CS w.e.f February 9, 2025
4	Mr. Ashish Kapil	CS & CO (KMP)	Resigned w.e.f December 14, 2024 (Closing of business hours)
5	Mr. Sanjeev Sukumaran	COO (KMP)	Resigned w.e.f October 30, 2024 (Closing of business hours)

* KMP – Key Managerial Personnel; CFO – Chief Financial Officer; GMD – Group Medical Director; CS & CO – Company Secretary & Compliance Officer; COO – Chief Operating Officer.

VI. REMUNERATION OF DIRECTORS:

The table below gives details of Remuneration of Directors for the Financial Year ended March 31, 2025.

(Amount in ₹)

Name of Director	Remuneration/ Allowance & Perquisites	Performance Linked Incentive	Commission*	Contribution towards Provident Fund	Sitting Fees	Severance Fee	Service Contract	Notice Period	Total
Dr. Ramesh Kancharla	4,58,01,750**	-	-	-	-	-	-	None, unless otherwise agreed by Board of Directors	4,58,01,750
Dr. Dinesh Kumar Chirla	2,82,52,103***	-	-	-	-	-	-	None, unless otherwise agreed by Board of Directors	2,82,52,103
Dr. Adarsh Kancharla	-	-	-	-	4,00,000	-	-	-	4,00,000
Mr. Aluri Srinivasa Rao	-	-	10,00,000	-	7,00,000	-	-	-	17,00,000
Dr. Anil Dhawan	-	-	10,00,000	-	9,00,000	-	-	-	19,00,000
Mr. Santanu Mukherjee	-	-	10,00,000	-	10,50,000	-	-	-	20,50,000
Ms. Sundari R. Pisupati	-	-	10,00,000	-	7,50,000	-	-	-	17,50,000

* Commission relates to the Financial Year ended March 31, 2025, which was approved by the Board on May 24, 2025 and will be paid during Financial Year 2025-26.

** Includes Leave Travel allowance of ₹ 8,01,746/-.

*** Remuneration by way of professional fee ₹ 2,82,52,103/-.

There has been no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the year except the Sitting Fees and Commission paid to them as detailed above.

Criteria for making payments to Non-Executive Directors

Non-Executive Directors and Independent Directors of the Company are paid sitting fees for attending Board/ Committee Meetings and Independent Directors are also paid Commission within the limits prescribed under Companies Act, 2013.

The Nomination and Remuneration Policy of the Company, inter alia, disclosing detailed criteria of making payments to Non-Executive Directors of the Company is placed on Company's website and can be accessed at:

https://d31scedd5hpubp.cloudfront.net/investor_files/Nomination_and_Remuneration_PolicyFEB2025.pdf

VII. GENERAL BODY MEETINGS

Details of Annual General Meetings held during the last three years, are as under:

Financial Year	Date and Time	Venue	No. of Special Resolutions set out at the AGM
2023-24	July 30, 2024 at 11:30 A.M	Meeting convened through Video Conferencing/ Other Audio Visual Means	1. To approve the remuneration payable to Dr. Ramesh Kancharla, Chairman and Managing Director of the Company. 2. To approve the remuneration payable to Dr. Dinesh Kumar Chirla, Whole-Time Director of the Company.
2022-23	June 29, 2023 at 11:30 A.M	Meeting convened through Video Conferencing/ Other Audio Visual Means.	Re-appointment of Dr. Anil Dhawan (DIN: 08191702), as an Independent Director of the Company for a term of 5 (Five) years commencing from August 30, 2023.
2021-22	September 15, 2022 at 11:30 A.M	Meeting convened through Video Conferencing/ Other Audio Visual Means.	Cancellation of unissued shares of one class (Preference Shares) and increase in shares of other class (Equity Shares) in the Authorized Capital of the Company and consequent amendment of Memorandum of Association of the Company.

VIII. POSTAL BALLOT

During the year under review, no business has been transacted through postal ballot as well as on the date of this report no business is proposed to be transacted through postal ballot.

Subsequent to the year under review, pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Act, read together with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 ("**Rules**") and SEBI Listing Regulations, the Members of the Company have passed the following Resolutions through postal ballot via remote e-voting facility:

Special Resolutions passed on April 2, 2025, approving the following resolutions:-

- Approval of 'Rainbow Children's Medicare Limited - Employee Stock Option Scheme 2025'.
- Approval for grant of Options to the employees of the subsidiary Company(ies) of the Company under 'Rainbow Children's Medicare Limited - Employee Stock Option Scheme 2025'.
- Approval for secondary acquisition of shares through Trust route for the implementation of 'Rainbow Children's Medicare Limited - Employee Stock Option Scheme 2025'.
- Approval for provision of money by the Company for purchase of its own Shares by the Trust under the 'Rainbow Children's Medicare Limited - Employee Stock Option Scheme 2025'.

S. No	Particulars	Response
1	Date of Postal Ballot	February 9, 2025
2	Cut-off Date of register of members for dispatch of notice	February 28, 2025
3	Dispatch of Postal Ballot	March 3, 2025
4	Voting Period	March 4, 2025 at 9:00 AM to April 2, 2025 at 5:00 PM
5	Date of Passing resolution	April 2, 2025
6	Date of declaration of result	April 3, 2025

The Board had appointed Mr. K.V.S. Subramanyam (CP No. 4815) failing him Ms. Soumya Dafthadtar (CP No. 13199), Practicing Company Secretaries and Partners of M/s. KVSS & CO. LLP (Formerly BS and Co LLP), a Company Secretary Firm, as Scrutinizer to scrutinise the remote e-voting process in a fair and transparent manner.

The details of voting pattern in respect of the Special Resolutions passed through postal Ballot is as under:

Resolution No: 1**Approval of 'Rainbow Children's Medicare Limited - Employee Stock Option Scheme 2025'.**

Resolution required: (Ordinary/ Special) Special

Whether promoter/ promoter group are interested in the agenda/ resolution? No

Category	Mode of voting	No. of shares held	No. of Votes polled	% of Votes Polled on outstanding shares	No. of Votes in favour	No. of votes in against	% of Votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)] *100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	5,06,26,873	5,06,26,873	100	5,06,26,873	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	5,06,26,873	5,06,26,873	100	5,06,26,873	0	100	0
Public Institutions	E-Voting	3,96,06,995	3,31,23,725	83.6310	2,07,84,570	1,23,39,155	62.7483	37.2517
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	3,96,06,995	3,31,23,725	83.6310	2,07,84,570	1,23,39,155	62.7483	37.2517
Public-Non Institutions	E-Voting	1,13,17,805	50,48,168	44.6038	50,44,956	3,212	99.9364	0.0636
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	1,13,17,805	50,48,168	44.6038	50,44,956	3,212	99.9364	0.0636
Total		10,15,51,673	8,87,98,766	87.4420	7,64,56,399	1,23,42,367	86.1007	13.8993

Resolution No: 2**Approval for grant of Options to the employees of the subsidiary Company(ies) of the Company under 'Rainbow Children's Medicare Limited – Employee Stock Option Scheme 2025'**

Resolution required: (Ordinary/ Special) Special

Whether promoter/ promoter group are interested in the agenda/ resolution? No

Category	Mode of voting	No. of shares held	No. of Votes polled	% of Votes Polled on outstanding shares	No. of Votes in favour	No. of votes in against	% of Votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)] *100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	5,06,26,873	5,06,26,873	100	5,06,26,873	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	5,06,26,873	5,06,26,873	100	5,06,26,873	0	100	0
Public Institutions	E-Voting	3,96,06,995	3,31,23,725	83.6310	2,08,09,342	1,23,14,383	62.8231	37.1769
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	3,96,06,995	3,31,23,725	83.6310	2,08,09,342	1,23,14,383	62.8231	37.1769
Public-Non Institutions	E-Voting	1,13,17,805	50,48,161	44.6037	50,44,822	3,339	99.9339	0.0661
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	1,13,17,805	50,48,161	44.6037	50,44,822	3,339	99.9339	0.0661
Total		10,15,51,673	8,87,98,759	87.4419	7,64,81,037	1,23,17,722	86.1285	13.8715

Resolution No: 3
Approval for secondary acquisition of shares through Trust route for the implementation of 'Rainbow Children's Medicare Limited Employee Stock Option Scheme 2025'.

Resolution required: (Ordinary/ Special) Special

Whether promoter/ promoter group are interested in the agenda/ resolution? No

Category	Mode of voting	No. of shares held	No. of Votes polled	% of Votes Polled on outstanding shares	No. of Votes in favour	No. of votes in against	% of Votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)] *100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	5,06,26,873	5,06,26,873	100	5,06,26,873	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	5,06,26,873	5,06,26,873	100	5,06,26,873	0	100	0
Public Institutions	E-Voting	3,96,06,995	3,31,23,725	83.6310	2,08,90,570	1,22,33,155	63.0683	36.9317
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	3,96,06,995	3,31,23,725	83.6310	2,08,90,570	1,22,33,155	63.0683	36.9317
Public-Non Institutions	E-Voting	1,13,17,805	50,48,129	44.6034	50,44,707	3,422	99.9322	0.0678
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	1,13,17,805	50,48,129	44.6034	50,44,707	3,422	99.9322	0.0678
Total		10,15,51,673	8,87,98,727	87.4419	7,65,62,150	1,22,36,577	86.2199	13.7801

Resolution No: 4
Approval for provision of money by the Company for purchase of its own Shares by the Trust under the 'Rainbow Children's Medicare Limited Employee Stock Option Scheme 2025'.

Resolution required: (Ordinary/ Special) Special

Whether promoter/ promoter group are interested in the agenda/ resolution? No

Category	Mode of voting	No. of shares held	No. of Votes polled	% of Votes Polled on outstanding shares	No. of Votes in favour	No. of votes in against	% of Votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)] *100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	5,06,26,873	5,06,26,873	100	5,06,26,873	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	5,06,26,873	5,06,26,873	100	5,06,26,873	0	100	0
Public Institutions	E-Voting	3,96,06,995	3,31,23,725	83.6310	2,09,15,342	1,22,08,383	63.1431	36.8569
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	3,96,06,995	3,31,23,725	83.6310	2,09,15,342	1,22,08,383	63.1431	36.8569
Public-Non Institutions	E-Voting	1,13,17,805	50,48,129	44.6034	50,44,572	3,557	99.9295	0.0705
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	1,13,17,805	50,48,129	44.6034	50,44,572	3,557	99.9295	0.0705
Total		10,15,51,673	8,87,98,727	87.4419	7,65,86,787	1,22,11,940	86.2476	13.7524

Procedure for Postal Ballot:

Pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Act read together with Rules and SEBI Listing Regulations, the Company provided e-voting facility to its shareholders to cast their votes electronically through e-voting platform by NSDL.

The Company completed dispatch of Postal Ballot Notices one day before the start of e-voting to all the members whose names appeared in the Register of Members/ List of Beneficial Owners maintained by the Company/ Depositories respectively as at close of business hours on Cut-off date and whose e-mail addresses were registered with the Company/ Depositories. The Company also published a notice in newspaper regarding completion of dispatch of postal ballot notices.

The scrutinizers submitted their reports after completion of the scrutiny and the results of voting by postal ballot were then announced. The voting results were communicated to the Stock Exchanges besides being displayed on the website of the Company, i.e. www.rainbowhospitals.in and on the website of NSDL at www.evoting.nsdl.com.

IX. MEANS OF COMMUNICATION

The quarterly/ half-yearly/ annual financial results of the Company are intimated to the Stock Exchanges immediately after the Board Meeting at which they are approved. The results along with press releases/ presentations made by the Company to Analysts/ Investors are also posted on the website of the Company viz. <https://www.rainbowhospitals.in/investors-relations/quarterly-results>.

The Company's website also displays all official news releases. The results of the Company are also published in English and Telugu language newspapers normally in Business Standard/ Surya.

The Company organizes investor conference calls to discuss its financial results every quarter, where investor queries were answered by the Executive Management of the Company. The audio recording and transcripts of the conference calls were posted on our website and on website of the Stock Exchanges.

All price sensitive information and matters that are material to shareholders were disclosed to the Stock Exchanges, where the securities of the Company are listed.

X. GENERAL SHAREHOLDER INFORMATION**(a) Corporate Identification Number:**

L85110TG1998PLC029914

(b) Annual General Meeting:

The 27th Annual General Meeting of the Company is scheduled to be held as under:-

Date and Time:	July 5, 2025 at 11:30 A.M. (IST)
Venue:	The Company is conducting meeting through VC/ OAVM. For details please refer to the Notice of this AGM.

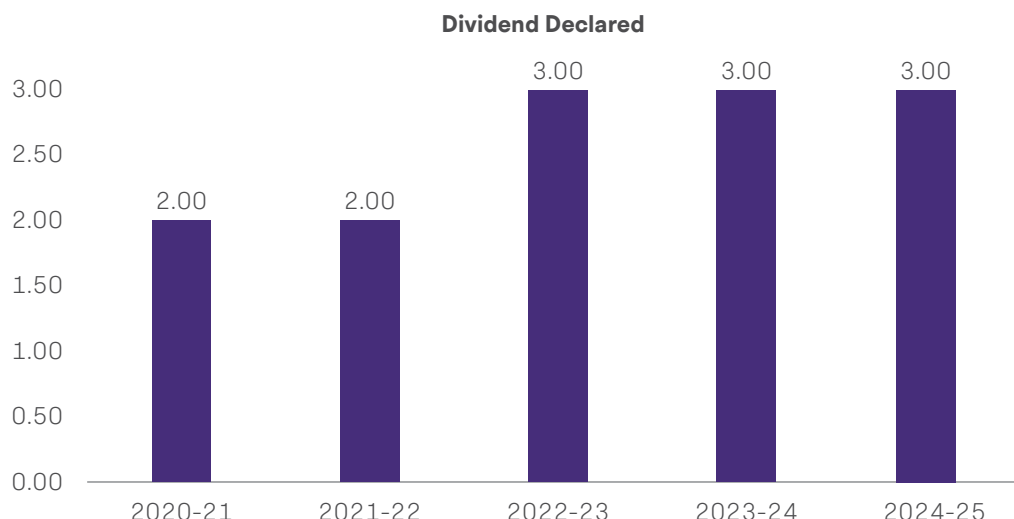
(c) Financial Year:

The Company follows Financial Year from April 1 to March 31. The Current Financial Year of the Company is April 1, 2024 to March 31, 2025.

(d) Details of dividend declared and paid by the Company for the Last 5 years:

Financial Year	Dividend Declared per Share (in ₹)	% of face value	Total amount of Dividend (in Crores)
2020-21	2	20%	9.24
2021-22	2	20%	20.3
2022-23	3	30%	30.45
2023-24	3	30%	30.47
2024-25	3*	30%	30.47

*Subject to shareholders' approval at the ensuing AGM.



Final Dividend payment for FY 2024-25: On or before August 3, 2025.

(e) Listing on Stock Exchanges:

Name of Stock Exchange	Address
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.
National Stock Exchange of India Limited	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.

Annual Listing fees for the Financial Year 2024-25 & 2025-26 have been paid to both the Stock Exchanges.

(f) Suspension of Trading:

During the year under review, no order related to suspension of trading was passed.

(g) Registrar and Share Transfer Agent:

Kfin Technologies Limited
Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032, Telangana.
Contact Number: +91 4067162222
Email-id: einward.ris@kfintech.com
Website: www.kfintech.com

(h) Share Transfer System:

As mandated by SEBI, securities of Listed Companies can only be transferred in dematerialized form and also the entire share capital of the Company is in dematerialised form. The shares can be transferred by shareholders through their Depository Participants.

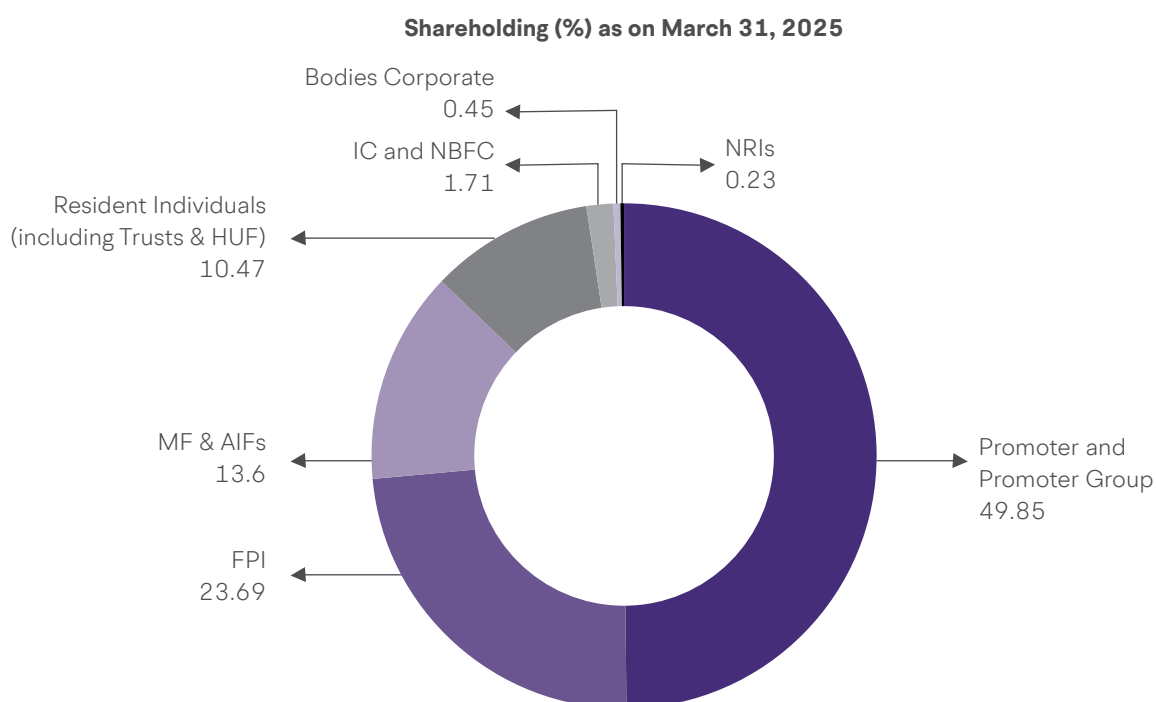
(i) Distribution of shareholding as on March 31, 2025:

i. Distribution of Equity Shareholding

Slab	Shareholders		No. of Shares	
	Number	% to total	Shares	% to total
1 - 5000	78,761	99.58	44,86,537	4.42
5001 - 10,000	82	0.10	6,12,770	0.60
10,001 - 20,000	73	0.09	10,73,276	1.06
20,001 - 30,000	43	0.05	10,85,746	1.07
30,001 - 40,000	16	0.02	5,62,426	0.55
40,001 - 50,000	12	0.02	5,38,034	0.53
50,001 - 1,00,000	27	0.03	19,50,907	1.92
1,00,001 - above	78	0.10	9,12,41,977	89.85
Total	79,092	100.00	1,015,51,673	100.00

ii. Categories of Equity Shareholders as on March 31, 2025

S. No.	Category	No of Shares held	% of Share holding
1	Promoter and Promoter Group	5,06,26,873	49.85
2	Foreign Portfolio Investors	24,061,622	23.69
3	Mutual Fund and Alternate Investment Funds	1,38,17,840	13.6
4	Resident Individuals (including Trusts & HUF)	1,06,16,914	10.47
5	Insurance Companies and NBFC	17,33,401	1.71
6	Bodies Corporate	4,56,410	0.45
7	Non - Resident Indians	2,37,318	0.23
8	Clearing Members	1,295	0.00
Total		10,15,51,673	100



* FPIs- Foreign Portfolio Investors, MFs - Mutual Funds, AIFs - Alternative Investment Funds, IC- Insurance Companies, NBFC- Non-Banking Financial Companies, NRIs - Non- Resident Indians.

iii. Institutional Investors holding more than 1% shareholding as on March 31, 2025:

S. No	Name of Shareholders	Shareholding (%)
1	DSP Mutual Fund	4.27
2	Franklin Templeton Mutual Fund	2.24
3	Abu Dhabi Investment Authority	2.08
4	Axis Mutual Fund	2.02
5	HDFC Life Insurance Company Limited	1.48
6	SBI Mutual Fund	1.32
7	Ashoka Whiteoak Mutual Fund	1.31
8	Nippon Life India Trustee Limited	1.08

(j) Dematerialisation of Shares and Liquidity

As on March 31, 2025, the entire equity share capital of your Company is held in dematerialised form with NSDL and CDSL under International Securities Identification Number (ISIN) – INE961O01016. The equity shares of the Company are actively traded at BSE & NSE.

(k) Outstanding GDRs/ ADRs/ Warrants or Convertible Instruments

No GDRs/ ADRs/Warrants has been issued by the Company or Convertible Instruments has been issued by the Company.

(l) Commodity price risk or foreign risk and hedging activities

The Company does not have commodity price risk nor does the Company engage in hedging activities.

(m) Plant Locations

The Company does not have any manufacturing or processing plants.

(n) Address for Correspondence

Registered Office	Corporate Office
Rainbow Children's Medicare Limited 8-2-120/103/1, Survey No. 403, Road No. 2, Banjara Hills, Hyderabad- 500034, Telangana. Ph: 040-22334455 E-mail: companysecretary@rainbowhospitals.in	Rainbow Children's Medicare Limited 8-2-19/1/A, Daulet Arcade, Road No. 11, Banjara Hills, Hyderabad – 500034, Telangana. Ph: 040- 49692244 E-mail: companysecretary@rainbowhospitals.in

Your Company has also designated investorrelations@rainbowhospitals.in as an exclusive email ID for Analysts and Institutional Investors and companysecretary@rainbowhospitals.in an exclusive email ID for the Investors for the purpose of registering their complaints and the same has been displayed on Company's website also.

(o) List of Credit Ratings:

During the period under review, the Company was assigned a Corporate credit rating of [ICRA] AA (Stable) by ICRA Limited vide its letter dated January 7, 2025.

XI. OTHER DISCLOSURES
(a) Related Party Transactions (RPTs)

The Company has not entered into any materially significant transactions with the related parties that may have potential conflict with the interests of the Company at large. Transactions with related parties are being disclosed in Note 2.31 to the Standalone Financial Statements of the Company forming part of the Annual Report and are transacted after obtaining applicable approval(s), wherever required.

The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is disclosed on website of the Company and can be accessed through the following link: https://d31scedd5hpubp.cloudfront.net/investor_files/Policy_on_Materiality_and_Dealing_with_Related_Party_TransactionsFEB2025.pdf

(b) Non-Compliances by the Company

During the last three years and during the Financial Year 2024-25, there were no strictures or penalties imposed on the Company either by the Stock Exchanges or SEBI, or any other statutory authority for non-compliance of any matter related to capital markets.

(c) Vigil Mechanism and Whistle Blower Policy

In Compliance with the provisions of section 177 of the Act and Regulation 22 of SEBI Listing Regulations, the Company has in place the Whistle Blower Policy and Vigil Mechanism for Directors, employees and other stakeholders which provides a platform to them for raising their voice about any breach of code of conduct, financial irregularities, illegal or unethical practices, unethical behaviour, actual or suspected fraud. Adequate safeguards are provided against victimization to those who use such mechanism and direct access to the Chairman of the Audit Committee in appropriate cases is provided. During the year under review, no employee was denied access to the Audit Committee.

The policy on Vigil Mechanism and Whistle Blower Policy has been posted on the website of the Company and can be accessed through the following link: https://d31scedd5hpubp.cloudfront.net/investor_files/Whistle%20Blower%20Policy.pdf

(d) Details of compliance with mandatory requirements on Corporate Governance under the SEBI Listing Regulations

The Company has complied with the mandatory requirements on Corporate Governance under the SEBI Listing Regulations.

(e) Subsidiary Companies

Your Company does not have any material subsidiary company in terms of Regulation 16(c) of the SEBI Listing Regulations. The Board of Directors of the Company formulated a policy for determining “material” subsidiaries. The said Policy has been placed on the website of the Company and can be accessed through the following link:

https://d31scedd5hpupb.cloudfront.net/investor_files/Policy_for_determining_Material_Subsidiary-2025.pdf

(f) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During the Financial Year 2024-25, the Company has not raised funds through preferential allotment and qualified institutions placement.

(g) Practicing CS Certification

A certificate from a Company Secretary in Practice that as on March 31, 2025, none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority is annexed to this Report as **Annexure - 1**.

(h) Recommendation of Committee(s) of the Board of Directors

During the year, all recommendations of Committees of Board of Directors, were accepted by the Board.

(i) Statutory Auditor Fee

The total fee paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor for all the services during the Financial Year 2024-25 is ₹ 8.89 Million.

(j) Disclosure under the sexual harassment of women at Workplace (prevention, prohibition and redressal) Act, 2013

In compliance of the sexual harassment of women at Workplace (prevention, prohibition and redressal) Act, 2013 and rules made thereunder, the Company has in place a policy to prevent and deal with sexual harassment at workplace.

During the period under review, no Complaints were received under the sexual harassment of women at Workplace (prevention, prohibition and redressal) Act, 2013.

(k) Loans and Advances in the nature of Loans to Firms/ Companies in which Directors are interested by name and amount.

The details of loans and advances in the nature of loans to firms/ companies in which Directors are interested, being disclosed in Note 2.10 to the Standalone and Consolidated Financial Statements of the Company forming part of the Annual Report.

(l) The Company has complied with the requirements of Schedule V Corporate Governance Report sub-paras (2) to (10) of the SEBI Listing Regulations.**(m) Detail of compliance with the corporate governance requirements specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations.**

The Company is in compliance with the applicable corporate governance requirements specified in Regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations as well as the disclosure requirements as enumerated under Schedule V of the SEBI Listing Regulations.

(n) Disclosures with respect to demat suspense account/ unclaimed suspense account.

There are no shares which are lying in demat suspense account/ unclaimed suspense account as on March 31, 2025.

(o) Disclosure of agreements impacting management or control

In terms of Regulation 30A of the SEBI Listing Regulations, there are no such agreements entered which will impact the management or control of the Company.

(p) Insider Trading

In terms of the SEBI (Prohibition of Insider Trading) Regulations 2015 (“**PIT Regulations**”), the Company has a comprehensive Code of Conduct for regulating, monitoring and reporting of trading by Insiders. The said Code lays down guidelines which provide for the procedure to be followed and disclosures whilst dealing with shares of the Company. Further, in terms of the PIT Regulations, the Company has in place a Code of Practices and Procedures of Fair Disclosures of Unpublished Price Sensitive Information.

(q) Board Procedures

The Board meets at least once in a quarter to review financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address

specific issues concerning the businesses of your Company.

The Board Meetings are governed by a structured Agenda. The Agenda along with detailed explanatory notes and supporting material are circulated in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The Board has access to any information within your Company which includes the information as specified in Schedule II of the SEBI Listing Regulations.

(r) Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25 of the SEBI Listing Regulations, a meeting of the Independent Directors of the Company was held on March 22, 2025 without the presence of Non-Independent Directors and Company's Management.

The Company Secretary was an invitee to the said meeting and acted as a facilitator to the Independent Directors.

(s) Mandatory requirements

To the extent applicable, during the year under review the Company has complied all the mandatory requirements of the SEBI Listing Regulations.

(t) Non- mandatory requirements:

The Company has adopted the following non-mandatory requirements on Corporate Governance:-

i. Audit qualifications

There was no audit qualification on your Company's financial statements, during the year under review.

ii. Reporting of Internal Auditor

The Internal Auditors of the Company i.e. M/s. Deloitte Touche Tohmatsu India LLP

directly reports to the Audit Committee of the Company.

XII. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct, which is applicable to all Directors and Senior Management Personnel of the Company. The Code has also been posted on the website of the Company.

All Board Members and Senior Management Personnel have affirmed with the compliance of Code of Conduct for the Financial Year 2024-25.

An annual declaration signed by the Chairman & Managing Director of the Company affirming compliance to the Code by the Board of Directors and the Senior Management is annexed to this Report as **Annexure - 2**. The Code of Conduct is available on website of the Company and can be accessed through the following link: https://d31scedd5hpubp.cloudfront.net/investor_files/Code_of_conduct_for_Directors_and_Senior_ManagementFEB2025.pdf

XIII. CEO/ CFO CERTIFICATION

In compliance with Regulation 17(8) of the SEBI Listing Regulations, a certificate from Managing Director and Chief Financial Officer of the Company to the Board of Directors as specified in Part B of Schedule II of the said regulations is annexed to this Report as **Annexure - 3**.

XIV. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

In compliance with SEBI Listing Regulations, a certificate on Corporate Governance issued by Company Secretary in Practice is annexed to this Report as **Annexure - 4**.

For and on behalf of Board of Directors

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Place: Hyderabad
Date: May 24, 2025

Annexure - 1

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
Rainbow Children's Medicare Limited
Hyderabad

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Rainbow Children's Medicare Limited (hereinafter referred to as '**the Company**') having CIN: L85110TG1998PLC029914 and having registered office at 8-2-120/103/1, Survey No. 403, Road No. 2, Banjara Hills, Hyderabad - 500034, Telangana, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Directors*	DIN	Date of Appointment in the Company
1	Dr. Ramesh Kancharla	00212270	August 7, 1998
2	Dr. Dinesh Kumar Chirla	01395841	December 14, 2005
3	Dr. Adarsh Kancharla	08302615	January 24, 2024
4	Dr. Anil Dhawan	08191702	August 30, 2018
5	Mr. Aluri Srinivasa Rao	00147058	March 15, 2019
6	Ms. Sundari R. Pisupati	01908852	September 16, 2021
7	Mr. Santanu Mukherjee	07716452	October 22, 2021

*The above-mentioned directors are as on March 31, 2025

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KVSS & CO LLP, Company Secretaries
(Formerly known as BS AND CO LLP)

K.V.S. Subramanyam
Designated Partner
DIN: 01364578
FCS No.: 5400
C P No.: 4815
PR. No: 6593/2025
UDIN: F005400G000428341

Date: May 24, 2025
Place: Hyderabad

Annexure - 2**DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT**

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, I, Dr. Ramesh Kancharla, Chairman and Managing Director of the Company, hereby declare that the Board Members and the Senior Management Personnel have affirmed compliance with the Code of conduct of the Company during the financial year ended on March 31, 2025.

Place: Hyderabad
Date: May 24, 2025

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Annexure - 3**MD AND CFO CERTIFICATE**

The Board of Directors,
Rainbow Children's Medicare Limited.

We, the undersigned to the best of our knowledge and belief, certify that:

- A.** We have reviewed financial statements and the cash flow statement for the Financial Year 2024-25 and that to the best of our knowledge and belief:
- (1)** these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (2)** these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B.** There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C.** We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D.** We have indicated to the Auditors and the Audit committee:
- (1)** Significant changes in the internal control over financial reporting during this year;
 - (2)** Significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3)** Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Vikas Maheshwari
Chief Financial Officer

Place: Hyderabad
Date: May 24, 2025

Annexure - 4

CORPORATE GOVERNANCE CERTIFICATE

To
The Members
Rainbow Children's Medicare Limited
Hyderabad

We have examined all compliance of the conditions of Corporate Governance by **Rainbow Children's Medicare Limited** ('the Company') for the year ended March 31, 2025, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

MANAGEMENT'S RESPONSIBILITY

The Compliance with the requirements of conditions of Corporate Governance is the responsibility of the Management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the compliance with the requirements in the Corporate Governance and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

OUR RESPONSIBILITY

Pursuant to the requirement under SEBI Listing Regulations it is our responsibility to express limited assurance that the Company has complied with the requirements of the conditions of Corporate Governance.

OPINION

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2025.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KVSS & CO LLP, Company Secretaries
(Formerly known as BS AND CO LLP)

K.V.S. Subramanyam
Designated Partner
DIN: 01364578
FCS No.: 5400
C P No.: 4815
PR. No: 6593/2025
UDIN: F005400G000428350

Date: May 24, 2025
Place: Hyderabad

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L85110TG1998PLC02991
2. Name of the Listed Entity	Rainbow Children's Medicare Limited ("the Company/Rainbow/Rainbow Hospitals/ Rainbow Children's Hospital/ RCML")
3. Year of incorporation	1998
4. Registered office address	8-2-120/103/1, Survey No. 403, Road No. 2, Banjara Hills, Hyderabad – 500034, Telangana
5. Corporate address	8-2-19/1/A, Daulet Arcade, Road No.11, Banjara Hills, Hyderabad – 500034, Telangana.
6. E-mail	companysecretary@rainbowhospitals.in
7. Telephone	+91 40 49692244
8. Website	www.rainbowhospitals.in
9. Financial year for which reporting is being done	FY 2024-25
10. Name of the Stock Exchange(s) where shares are listed	1. National Stock Exchange of India Limited 2. BSE Limited
11. Paid-up Capital	101.55 Cr
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Ms. Shreya Mitra Designation: Company Secretary & Compliance Officer Tel No. +91 40 49692244 Email ID: companysecretary@rainbowhospitals.in
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Consolidated basis unless otherwise specified
14. Name of assurance provider	Not Applicable
15. Type of assurance obtained	Not Applicable

II. Product/Services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Human Health Activities	Medical services	100

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Human Health Activities	86100	100

III. Operations**18. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of Plants	Number of Offices	Total
National	No. of hospitals: 19 No; of clinics: 5	1	25
International	-	-	-

19. Markets served by the entity**a. Number of locations**

Location	Number
National (No. of States)	5
International (No. of Countries)	None

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

The Company operates across five states within India. It does not engage in export activities and hence exports do not contribute to the turnover of the Company. However, the Company provides healthcare services to both Indian and foreign nationals, with international patients visiting its hospitals in India for medical treatment.

c. A brief on types of customers.

Rainbow Children's Hospital provides medical assistance and healthcare services to patients with a specific focus on comprehensive pediatric, perinatal and women care.

IV. Employees**20. Details as of the end of the financial year:****a. Employees and workers (including differently abled):**

Sr. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
EMPLOYEES						
1.	Permanent(D)	3,972	1,706	43%	2,266	57%
2.	Other than Permanent (E)	1,551	390	25%	1,161	75%
3.	Total employees (D+E)	5,523	2,096	38%	3,427	62%
WORKERS						
4.	Permanent(F)					
5.	Other than Permanent (G)			Not applicable		
6.	Total workers (F+G)					

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent(D)	2	0	0	2	100%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently-abled employees (D+E)	2	0	0	2	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent(F)					
5.	Other than Permanent (G)					
6.	Total differently-abled workers (F+G)					

21. Participation/Inclusion/Representation of Women:

	Total (A)	Number and percentage of Females	
		No.(B)	%(B/A)
Board of Directors	7	1	14.29%
Key Managerial Personnel*	2	1	50.00%

*The KMP's of the Company are Chairman & Managing Director, Whole-Time Director, Chief Financial Officer and Company Secretary & Compliance Officer. Since Chairman & Managing Director and Whole-time Director, Chief Financial Officer are already included under the heading Board of Directors, the same has not been included again under the heading KMP.

22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	FY 2025			FY 2024			FY 2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	33%	35%	35%	27%	37%	33%	33%	40%	37%
Permanent Workers	Not applicable								

V. Holding, Subsidiary, and Associate companies (including joint ventures)**23. a. Names of holding/ subsidiary/ associate companies/ joint ventures**

S. No.	Name of the holding/ subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Rainbow Children's Hospital Private Limited	Subsidiary	100%	No
2	Rainbow Speciality Hospitals Private Limited	Subsidiary	78.81%	No
3	Rainbow Women & Children's Hospital Private Limited	Subsidiary	100%	No
4	Rosewalk Healthcare Private Limited	Subsidiary	100%	No
5	Rainbow Fertility Private Limited	Subsidiary	100%	No
6	Rainbow C R O Private Limited	Subsidiary	100%	No

VI. CSR Details**24. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: (Yes/No): Yes**

(ii) Turnover (in ₹) - 14,545.07 Million (Standalone)

(iii) Net worth (in ₹) - 14,885.44 Million (Standalone)

VII. Transparency and Disclosure Compliances**25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025			FY 2024		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	Yes https://www.rainbowhospitals.in/investors-relations/investor-contact	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes https://www.rainbowhospitals.in/investors-relations/investor-contact	12	Nil	-	11	Nil	-
Customers	Yes https://www.rainbowhospitals.in/investors-relations/investor-contact	21*	7	-	2629	9	-
Value Chain Partners	Yes https://www.rainbowhospitals.in/investors-relations/investor-contact	Nil	Nil	-	Nil	Nil	-
Employees & Workers	Yes https://www.rainbowhospitals.in/investors-relations/investor-contact	Nil	Nil	-	2	Nil	-
Communities	Yes https://www.rainbowhospitals.in/investors-relations/investor-contact	Nil	Nil	-	Nil	Nil	-

*In the current reporting year, the cases which were converted into a form of legal notices are considered.

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy efficiency & Reduction of Carbon Emissions / GHG Emissions as response to Climate Change	O	Improving energy efficiency and implementing effective energy management are essential strategies for reducing carbon dioxide (CO ₂) and other greenhouse gas (GHG) emissions, which are key contributors to climate change. By using less energy to achieve the same outcomes, organizations can significantly cut fossil fuel use—the primary source of emissions. Strategic energy management, including monitoring usage, optimizing processes, upgrading to efficient technologies, and adopting renewable energy sources like solar and wind, not only reduces environmental impact but also lowers operational costs. These actions are vital for climate change mitigation, fostering sustainable development, and accelerating the transition to a low-carbon future.		Positive
2	Water and Waste Management (Hazardous and Non-Hazardous)	R	Ineffective waste and water management can pose significant environmental, health, legal, and operational risks. Improper waste disposal may lead to contamination, public health hazards, and non-compliance with hazardous and biomedical waste regulations, which may result into legal penalties and potential loss of licenses etc. Likewise, poor water management can disrupt operations, elevate costs, and compromise hygiene standards, increasing the risk of waterborne infections and endangering patient safety.	Domestic wastewater undergoes treatment and is reused for non-contact applications, including toilet flushing, gardening, and washing hospital vehicles. Rainwater harvesting practices are also in place at major facilities to support sustainable water management. Our waste management approach is guided by the 3R principle—Reduce, Reuse, Recycle—which helps lower environmental pollution, conserve valuable resources, and improve cost-efficiency. We ensure that all biomedical waste	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				generated in our facilities is properly segregated, labeled, and managed in accordance with the guidelines of the State Pollution Control Boards.	
3	Occupational Health and Safety	R	Healthcare professionals faces heightened exposure risks to infectious diseases and occupational hazards. We recognize that fostering a strong safety culture is essential to minimize errors and prevent adverse events in our child & mother -focused healthcare environment.	We have put in place strong safety measures to protect both our staff and patients. These include a dedicated Infection Prevention and Control Program tailored for child and mother healthcare, regular safety training sessions, and an Automated Incident Reporting System (AIRS) that allows staff to report concerns anonymously. We assess all incidents to ensure timely and appropriate responses, and we conduct Root Cause Analyses to prevent future issues. Extra precautions are also taken in neonatal and pediatric intensive care units to ensure the highest level of protection.	Negative
4	Privacy and Cybersecurity / Data Security	R	Disclosure of sensitive patient information can incur substantial fines, legal liabilities, and erode stakeholder trust. Such breaches often disrupt operations—causing downtime and expensive recovery efforts—and inflict reputational damage that may deter prospective patients and partners, ultimately undermining revenue and growth.	We are dedicated to safeguarding sensitive information through a comprehensive privacy and security architecture. Our robust Information and Cyber Security programme is supported by detailed policies and standards, all aligned with industry best practices.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Service Quality and Patient Safety	O	By delivering exceptional, high-quality services, we ensure patients receive effective, timely, and compassionate care that exceeds expectations. Our unwavering commitment to patient safety not only minimizes risk but also builds lasting trust and confidence. By placing patient satisfaction at the core of our approach, we create meaningful, positive experiences that drive loyalty, enhance our reputation, and position us as a trusted leader in healthcare excellence.		Positive
6	Investments in technology and digital marketing	O	By leveraging digital marketing and technology, the Company is strategically positioned to enhance patient services and expand its market reach. This digital-first approach strengthens brand presence and improves accessibility for a broader audience. Through a commitment to technological advancement, the Company drives innovation, consistently delivering products and services that exceed customer expectations.		Positive
7	Risk Management	R	A lack of robust controls within a risk management system can expose businesses to adverse effects across various operational areas. However, when integrated into the overall strategy, risk management presents significant opportunities. It not only protects against potential disruptions but also enhances adaptability in a dynamic business environment. This strategic approach fosters resilience and supports long-term success, even in the face of challenges.	The Company actively collaborates with key stakeholders throughout the risk management process, ensuring their awareness and engagement in mitigating potential risks. This inclusive approach fosters a culture of risk awareness and accountability, leading to more effective and sustainable risk management outcomes.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Diversity, Equity & Inclusion	O	A diverse and inclusive workforce is a powerful driver of innovation, creativity, and smarter solutions. By championing equity, we unlock the full potential of every individual, boosting engagement, performance, and impact. Our inclusive culture fosters belonging and empowers our people to thrive. This commitment is clearly reflected in the significant growth of female representation across our organization—showcasing progress and reinforcing our promise to build a more dynamic, forward-thinking workplace.		Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available.	https://www.rainbowhospitals.in/investor-relations/reports/policy/Business%20Responsibility%20Policy.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	1. Environment Guidelines as per ISO 14001 2. Environment and Social Guidelines issued by IFC 3. National Accreditation Board for Hospitals and Healthcare Providers (NABH) 4. NVG Guidelines issued by the Ministry of Corporate Affairs, GOI 5. Section 135 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) 2015								
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	The Company is committed to follow the impact guidelines for each of the 9 principles.								
6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	The Company continuously monitors its performance against the said indicators periodically, take corrective action as needed and institutionalize preventive steps to strengthen its performance on the said parameter.								

Governance, leadership and oversight**7. Statement by director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements** (listed entity has flexibility regarding the placement of this disclosure).

At Rainbow Children's Hospital, sustainability is a core commitment, not a compliance checkbox. We recognize that ESG issues are deeply interconnected and vital to the health of our organization, community, and environment. We continue to enhance our ESG practices by strengthening data management, standardizing environmental data collection, and leveraging technology to improve transparency and accountability.

Efforts to reduce our environmental impact include optimizing energy use, exploring renewable sources, and adopting eco-friendly innovations. Waste management, resource conservation, and digital solutions further support our sustainability goals. At the same time, we uphold the highest standards of patient care and safety, reinforcing trust across all touchpoints.

As we grow, we remain focused on operational excellence, continuous improvement, and long-term environmental stewardship building a resilient and responsible future for all stakeholders.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Dr. Ramesh Kancharla
DIN:00212270
Chairman & Managing Director

9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.

The CSR & ESG Committee is responsible for overseeing and guiding the company's sustainability efforts, ensuring informed decision-making on key environmental, social, and governance matters.

10. Details of review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other-please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Committee of the Board									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes, the Committee of the Board ensures that the Company complies with all applicable laws and statutory requirements of the land it operates in.									Quarterly								

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

P1	P2	P3	P4	P5	P6	P7	P8	P9
No								

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

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

Not Applicable

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE**PRINCIPLE 1:**

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

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year.

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors Key Managerial Personnel	5	Familiarization programs covering business strategy, operations, risks, regulatory matters, ESG topics and ESG awareness session. Regular updates on SEBI regulations, company developments, and compliance matters.	100%
Employees other than BoD and KMPs	123	Code of Conduct, whistle Blower, Conflict Management, POSH, Equal Opportunity Policy, prevention of fraud policy	100%
Workers		Not Applicable	

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

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	1	Directorate of Medical & Rural Health Services, Chennai, Tamil Nadu.	50,000	The Department has imposed a penalty of ₹ 50,000/- along with temporary suspension of the TN Clinical Establishment Certificate of the hospital unit situated at Sholinganallur, Chennai, for a period of 10 days. Further effective from 24.10.2024, all new treatments except those related to continuing pregnant women has to be suspended at the said unit for the next 10 days and all in-patients are required to be relocated to other facilities within 7 days.	Yes
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment				None	
Punishment					

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NA

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

The Company is committed to transparent and ethical business practices, adhering strictly to laws and regulations against bribery and corruption. Its Whistleblower and Code of Conduct Policies apply across the Rainbow Group, including joint ventures and associated entities. The same can be accessed at <https://www.rainbowhospitals.in/investors-relations/policies-and-programs>.

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

	FY 2025	FY 2024
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

	FY 2025		FY 2024	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

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

Not Applicable as there were zero instances of conflict of interest reported.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2025	FY 2024
Number of days of accounts payables	185	183

9. Open-ness of business

Provide details of the concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025	FY 2024
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Not Applicable owing to the nature of business, Rainbow does not procure from trading houses.	Not Applicable owing to the nature of business, Rainbow does not procure from trading houses.
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	Not Applicable owing to the nature of business (providing healthcare) Rainbow does not have any sales to dealers/ distributors.	Not Applicable owing to the nature of business (providing healthcare) Rainbow does not have any sales to dealers/ distributors.
	b. Number of dealers distributors to whom sales are made		
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors		

Parameter	Metrics	FY 2025	FY 2024
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	2.07%	0.29%
	b. Sales (Sales to related parties/ Total Sales)	0.32%	0.20%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.97%	0.97%
	d. Investments (Investments in related parties/ Total Investments made)	6.71%	8.98%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Digital Personal Data Protection Act, 2023 (DPDP Act)	25%

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

The Company has established a dedicated Code of Conduct for Senior Management and Board Members, clearly outlining conflict-of-interest scenarios and providing guidance to avoid them. This Code reflects the Company's core values of integrity and ethical behavior, serving as a foundation for responsible leadership. By adhering to these standards, the Company aims to prevent misconduct and foster a strong culture of ethics across the organization.

PRINCIPLE 2:

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

Essential Indicators

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

	FY 2025	FY 2024	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	0.89%	2.63%	Solar Rooftops, VFD & LED Installation

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**
Yes
- b. **If yes, what percentage of inputs were sourced sustainably?**
1. Laboratory procurement- 14% approx.
 2. Power procurement- 45% approx.
3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**
Rainbow ensures the safe collection, treatment, and disposal of all waste and end-of-life materials in full compliance with local and state regulatory norms.
- (a) **Plastics (including packaging):** The Company follows responsible waste management practices by regularly selling its plastic waste to authorised plastic recyclers. Given the nature of its operations in the healthcare services sector, plastic waste generation remains minimal. To further minimise plastic use, all units are equipped with water dispensers and disposable paper cups, thereby eliminating the need for plastic PET bottles. Additionally, the Company has discontinued the use of plastic bags for general hospital operations, including carry bags, medicine packaging, and food distribution, promoting eco-friendly alternatives across all units.
- (b) **E-waste:** E-waste is collected and stored in designated bins at each unit and is disposed of in accordance with the Company's ESG guidelines and E-Waste Management Policy. Rainbow has partnered with third party for the collection and responsible disposal of segregated e-waste. Disposal is carried out periodically, once sufficient volume has accumulated.
- (c) **Hazardous waste:** As a healthcare service provider, the Company ensures the safe and compliant disposal of biomedical waste (BMW) through authorised hazardous waste handlers, strictly adhering to the Biomedical Waste Management Rules, 2016.
- (d) **Other waste:** The Company ensures responsible disposal of various waste streams in line with regulatory requirements. General waste is managed through authorised municipal partners, while waste oil is disposed of exclusively via certified vendors to prevent unauthorised handling. General scrap is sold on demand to local authorised recyclers, with detailed records maintained for traceability. Wastewater and other contaminated liquids are treated through in-house Sewage and Effluent Treatment Plants (STP and ETP) before being safely discharged into municipal sewage systems, as per hospital policy.
4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**
Not Applicable

Leadership Indicators

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

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Not applicable as the Company is in healthcare services					

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

Name of Product/Service	Description of the risk/concern	Action Taken
Not Applicable		

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2025	FY 2024
Not applicable		

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

	FY 2025			FY 2024		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA			NA*		
E-waste						
Hazardous waste						
Other waste General Waste (Dry & Wet)						

*FY 2024 data has been restated, as the previously reported figures reflected general waste data, which is not applicable to this specific disclosure.

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

PRINCIPLE 3:

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

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1,706	1,706	100%	1,706	100%	NA	NA	1,706	100%	1,706	100%
Female	2,266	2,266	100%	2,266	100%	2,266	100%	NA	NA	2,266	100%
Total	3,972	3,972	100%	3,972	100%	2,266	57%	1,706	43%	3,972	100%
Other than Permanent employees											
Male	390	211	54%	194	50%	NA	NA	NA	NA	NA	NA
Female	1,161	748	64%	654	56%	NA	NA	NA	NA	NA	NA
Total	1,551	959	62%	848	55%	NA	NA	NA	NA	NA	NA

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
		(B)	(B/A)	(C)	(C/A)	(D)	(D/A)	(E)	(E/A)	(F)	(F/A)
Permanent workers											
Male											
Female											
Total											
Other than Permanent workers											
Male											
Female											
Total											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-

	FY 2025	FY 2024
Cost incurred on well-being measures as a % of total revenue of the company	0.20%	1.07%

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

Benefits	FY 2025			FY 2024		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	NA	100%	NA	NA
ESI	14%	NA	Yes	24%	NA	Yes
Others – please specify	NA	NA	NA	-	-	-

3. Accessibility of workplaces

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

All Rainbow Group hospitals in India comply with the Rights of Persons with Disabilities Act 2016, ensuring accessible and inclusive facilities. Features like wheelchair ramps and on-site assistance reflect the Company's commitment to providing barrier-free healthcare access for individuals with disabilities

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

Yes, the Company is firmly committed to a policy of non-discrimination and maintains a strong stance against any conduct that violates its ethical standards or Code of Conduct. These principles are clearly outlined in the Business Responsibility Policy, reflecting the Company's dedication to fostering a culture of fairness, respect, and accountability across the organization.

The same can be accessed at https://d31scedd5hpubp.cloudfront.net/investor_files/Business%20Responsibility%20Policy.pdf

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	82%		
Female	99%	72%	Not applicable	
Total	99%	77%		

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

Yes/No (If Yes, then give details of the mechanism in brief)	
Permanent Workers	Not applicable
Other than Permanent Workers	
Permanent Employees	The Company provides a robust reporting system for employees to raise concerns through multiple channels, including the HRMS portal, unit-level contacts, a whistleblower hotline, an anti-sexual harassment helpline, and a corporate grievance and well-being channel. These operate under key policies such as the Whistleblower Policy, Anti-Sexual Harassment Policy, Anti-Discrimination Policy, and Code of Conduct, ensuring a safe, inclusive, and ethical workplace.
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2025			FY 2024		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	3,972	0	0	3,940	0	0
Male	1,706	0	0	1,663	0	0
Female	2,266	0	0	2,277	0	0
Total Permanent Workers						
Male						
Female						

Not applicable

8. Details of training given to employees and workers:

Category	FY 2025					FY 2024				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	2,267	1,630	72%	1,914	84%	2,085	1,973	95%	1,762	84%
Female	3,087	2,525	82%	2,730	88%	3,390	2,702	80%	2,576	76%
Total	5,354	4,155	78%	4,644	87%	5,475	4,675	85%	4,338	79%
Workers										
Male										
Female	Not applicable									
Total										

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025			FY 2024		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1,706	1,538	90%	1,663	1,149	69%
Female	2,266	2,032	90%	2,277	1,459	64%
Total	3,972	3,570	90%	3,940	2,608	66%
Workers						
Male						
Female						Not applicable
Total						

10. Health and safety management system:

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

Yes the occupational health and safety management system is in place which starts with analyzing the risks that are associated with the workplace. With the use of existing control measures, how can they be reduced and further with additional control measures how can they be minimized. The coverage of the system is hospital wide and covers all employees and healthcare workers.

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

The company is dedicated to cultivating a culture of safety excellence, supported by a comprehensive occupational health and safety management system. This system establishes rigorous protocols for identifying hazards, implementing risk mitigation measures, and ensuring ongoing compliance. Regular internal audits reinforce adherence to industry-leading safety practices. Additionally, the company enhances its safety framework through a Process Safety Management system, demonstrating its steadfast commitment to protecting the well-being of employees and stakeholders.

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

The company has a standard protocol for reporting work-related hazards, ensuring a transparent and structured approach to workplace safety. A blame-free environment is actively promoted, allowing staff to report concerns without fear of humiliation or repercussions. Additionally, an annual safety culture survey, conducted using the AHRQ tool, provides valuable insights into employees' attitudes and behaviors regarding event reporting, helping to continuously enhance the organization's safety culture.

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

The organization has a staff well being policy that takes care of group medical insurance and other related programs.

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

Safety Incident/Number	Category	FY 2025	FY 2024
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	NA	NA
Total recordable work-related injuries	Employees	0	0
	Workers	NA	NA
No. of fatalities	Employees	0	0
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	NA	NA

*Including in the contract workforce

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

The Company prioritizes employee well-being by maintaining a safe and healthy workplace through regular training programs and the provision of safety kits, including PPE and essential protective equipment. To prevent contamination and ensure compliance, the Company adheres to all local safety regulations, with most hospitals being NABH-approved. This commitment to safety and quality reinforces high operational standards, fostering a secure environment for both staff and patients.

13. Number of Complaints on the following made by employees and workers:

	FY 2025			FY 2024		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessment for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	100%
Working Conditions	

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

Not Applicable

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

Yes, the Company offers a comprehensive benefits package that includes Accidental Death Insurance and Workers' Compensation coverage. These provisions ensure financial support for employees and their families in the event of a work-related fatality.

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

Rainbow Hospitals maintains a robust internal control framework through regular audits that verify the timely remittance of all statutory dues. These audits ensure the company's adherence to labour laws and regulations. Furthermore, the company leverages the expertise of a dedicated Labour Law Consultant to assess the compliance posture of outsourced manpower vendors. This comprehensive approach allows the company to demonstrate its unwavering commitment to upholding the highest standards of labour law compliance. By prioritizing these initiatives, the company fosters a culture of transparency, accountability, and rigorous adherence to legal requirements across all its operations.

3. Provide the number of employees/workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025	FY 2024	FY 2025	FY 2024
Employees	-	-	-	-
Workers	-	-	-	-

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

Currently, the Company does not offer any formal transition assistance program

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NIL
Working Conditions	NIL

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

Not Applicable

PRINCIPLE 4:**Business should respect the interests of and be responsive to all its stakeholders****Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

The Company identifies key stakeholders as individuals, groups, or entities both internal and external that have a significant impact on its operations, add value, or are part of its business value chain. Stakeholders are evaluated based on their interest, influence, and involvement in the Company's activities. The Company is committed to addressing their needs and expectations by maintaining open communication through various channels, platforms, and tools. Key stakeholders include employees, investors, suppliers, partners, customers, government bodies, healthcare professionals, patients, and the broader community. Understanding their roles and concerns helps the Company define how often and how deeply it engages with each stakeholder group.

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

Stakeholder Group	Whether identified as a Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	- Integrated Annual Report - Company's Investor Relations section of website - Annual general meeting - Quarterly and annual presentations and earning calls - Announcements to stock exchanges - Investor meets	Quarterly/ ongoing	To ensure transparent and effective communication of business performance - To address investor / analyst queries and concerns - To ensure sound corporate governance mechanisms - To provide insights into Company's strategy and sustainability initiatives
Government	No	Emails / Community meetings/ In person meeting	Need-based	Representations / Perspective on change in regulations/ upcoming laws
Society	Yes	Social media - CSR - Community building sessions - Awareness campaigns - Health surveys - Discussions on medical issues - Press conferences - Health talks and camps	Need-based	Analysis of the health needs of the society - Identifying the gap between demand and supply - Prevention of illnesses
Healthcare Professionals	No	- Trainings, - One-to-One Physician and HOD interactions, Employee Experience Surveys	Continuous	To develop State of the art infrastructure To provide best in class medical facilities trainings specific to their domain
Employees	No	- Emails - Periodic townhalls meetings to enable bottom-to-top communication - Website - Cultural events - Structured employee surveys - HRMS Portal - Notice board	Continuous	- Training and development - Regular company updates - Psychological safety

Stakeholder Group	Whether identified as a Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Supplier / Partners	No	Digital meetings / In person meetings. Supplier forums, partner events, calls, e-mail	Need Based	- Performance feedback - Recognition/Feedback for performance - To finalize rate contracts and request for Quotation rate negotiation/ strategic meetings
Patients/ Customers	Yes	- Customer relationship management - Website and social media - Customer support desk - Patient feedback system - Patient satisfaction survey - SMS and helpline desk - Daily/weekly/monthly or continuous monitoring based on feedback system depending on the nature of stakeholder engagement	Continuous	- Timely availability of services - Quality/efficiency of service - Cost-effectiveness - Innovation in services/ products - Hygiene in environment. - Patient data privacy (restrict personal data use/shred documents)

Leadership Indicators

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

During Board meetings, Management regularly briefs Board members on stakeholder feedback related to Environmental, Social, and Governance (ESG) matters, ensuring they remain well-informed and equipped to make informed decisions. The responsibility for stakeholder consultation and engagement on ESG topics is assigned to relevant departments, enabling continuous dialogue and collaboration. This structured and inclusive approach enhances transparency, encourages participation in ESG initiatives, and strengthens the Company's commitment to addressing stakeholder concerns while advancing its sustainability agenda.

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

Yes, stakeholder feedback is regularly reviewed with management and used to implement necessary actions. This helps align stakeholder needs with business goals. The Company uses tools like surveys, reports, grievance mechanisms, and ongoing communication to understand and respond to stakeholder concerns. These efforts support continuous improvement, better decision-making, and stronger stakeholder relationships.

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

The company is committed to addressing the needs of vulnerable and marginalized groups through inclusive and targeted community initiatives. Efforts focus on improving access to essential services, ensuring equitable opportunities, and engaging these groups through culturally sensitive outreach and grievance mechanisms. Inclusivity remains central to all initiatives, aiming to create meaningful impact for underserved communities.

PRINCIPLE 5:**Businesses should respect and promote human rights****Essential Indicators**

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

Category	FY 2025			FY 2024		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	3,972	3,237	81%	3,940	1,518	39%
Other than permanent	1,551	1,105	71%	1,535	916	60%
Total Employees	5,523	4,342	79%	5,475	2,434	44%
Workers						
Permanent						
Other than permanent						Not applicable
Total Workers						

2. Details of minimum wages paid to employees and workers, in the following format:

Details of minimum wages paid to employees and workers, in the following format:										
Category	FY 2025					FY 2024				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	3,972	339	9%	3,633	91%	3,193	223	7%	2,970	93%
Male	1,706	160	9%	1,546	91%	1,226	78	6%	1,148	94%
Female	2,266	179	8%	2,087	92%	1,967	145	7%	1,822	93%
Other than Permanent	1,551	-	-	-	-	1,544	-	-	-	-
Male	390	-	-	-	-	424	-	-	-	-
Female	1,161	-	-	-	-	1,120	-	-	-	-
Workers										
Permanent										
Male										
Female										
Other than Permanent										
Male										
Female										

**Total has been taken as per the employees eligible for Minimum Wages as per statutory requirements.

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

a. **Median remuneration/wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	19,75,000	1	17,50,000
Key Managerial Personnel*	1**	2,55,70,000**	1	6,80,000***
Employees other than BoD and KMP	1,705	3,72,762	2265	3,42,324
Workers	N.A.	N.A.	N.A.	N.A.

*Since the Chairman & Managing Director and the Whole-Time Director are already included under the heading Board of Directors, they have not been included under the heading KMP.

**The median remuneration for male KMPs has been calculated taking the actual amount paid to all the KMPs including the ones who resigned during the year and the number of KMPs is mentioned as on March 31, 2025.

***One female KMP was considered who joined during the year while calculating the median remuneration and the amount considered in the calculation is the actual amount paid from the month of her joining.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025	FY 2024
Gross wages paid to females as % of total wages	50.1%	47.7%

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

The Company is committed to honesty, fairness, and transparency, and strives to uphold the highest standards of ethical behaviour and practice. It actively promotes professionalism and ethical conduct among its employees and has implemented strong measures to foster and sustain this culture. To ensure a safe and ethical working environment for all, the management promptly investigates and addresses concerns in accordance with the Company's policies. The Internal Complaints Committee (ICC) at each unit is responsible for Overseeing these matters.

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

Rainbow Hospitals is steadfastly dedicated to upholding internationally recognized human rights principles and standards. To ensure this commitment is effectively implemented, the company has established robust procedures and processes across its operations to safeguard against any human rights violations. For concerns or grievances, individuals may contact: Grievance@rainbowhospitals.in.

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

	FY 2025			FY 2024		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2025	FY 2024
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complaint in discrimination and harassment cases.

The company is committed to a safe, ethical, and inclusive workplace through its Code of Conduct, gender-neutral anti-harassment policy, and strong Business Risk and Responsibility (BRR) policies. These frameworks empower employees to report human rights concerns without fear. Management ensures all issues are thoroughly investigated and addressed in line with company policies. Anti-retaliation measures further reinforce a respectful and supportive work environment for all.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessment for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others- labour laws compliance inspection	100%

11. Provide details of any corrective actions taken or underway to address significant risks/ concerning arising from the assessments at Question 10 above.

Not Applicable

Leadership Indicators**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

No changes to existing processes were required, as strong human rights compliance and proactive measures have resulted in no grievances.

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

The company fosters a culture of compliance by providing continuous education on the Code of Conduct through a range of targeted training programs. This approach ensures that all employees are well-informed, act ethically, and adhere to company policies.

Scope: All employees

Coverage: Code of Conduct and Whistleblower trainings during induction, ESAT surveys to gauge employee sentiment and practices, regular weekly meetings with unit HRs to address cluster-level concerns, daily morning meetings with HODs and unit HRs to identify employee-related challenges, and a dedicated grievance committee to resolve employee issues.

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

The Company is dedicated to fostering an inclusive and accessible environment for all employees. In line with the Rights of Persons with Disabilities Act, 2016, all our hospitals in India are designed to accommodate the needs of differently-abled individuals. This includes the provision of wheelchairs, ramps, accessible restrooms, and support staff as required ensuring a barrier-free experience for everyone.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	-
Forced/involuntary labor	-
Sexual harassment	-
Discrimination at workplace	-
Wages	-
Others-please specify	-

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

Not Applicable

PRINCIPLE 6:**Businesses should respect and make efforts to protect and restore the environment****Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Unit	FY 2025	FY 2024
From renewable sources			
Total electricity consumption (A) - Solar Rooftop (in house)	GJ	2,118.83	1549.00*
Total fuel consumption (B)	GJ	-	-
Energy consumption through other sources (C) - Open access	GJ	28,639.27	10,211.95*
Total energy consumed from renewable sources (A+B+C)	GJ	30,758.10	11,760.95
From non-renewable sources			
Total electricity consumption (D)	GJ	68,018.53	75,099.04
Total fuel consumption (E)	GJ	15,091.50	21,369.56*
Energy consumption through other sources (F)	GJ	-	-
Total energy consumed from non-renewable sources (D+E+F)	GJ	83,110.03	96,468.60*
Total energy consumed (A+B+C+D+E+F)	GJ	1,13,868.13	1,08,229.55*
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	GJ/Million INR	7.82	8.75*
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)	GJ/Million INR adjusted to PPP	161.74	196.05*
Energy intensity in terms of physical output	GJ/beds	55.14	52.92*
Energy intensity (optional)- the relevant metric may be selected by the entity	-	-	-

Note: Fuel Consumption for the given year comprises of LPG, PNG, Petrol & Diesel

*Figures of FY 2024 are restated to streamline the approach of fuel and energy bifurcation.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

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

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025	FY 2024
Water withdrawal by source (in kilolitres)		
(i) Surface Water	-	-
(ii) Ground Water	1,40,421.00	1,15,394.10
(iii) Third Party Water (Tanker)	32,974.90	24,288
(iv) Seawater / desalinated water	-	-
(v) Others (Municipal Corporation)	78,408.70	70,414.25
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2,51,804.60	2,10,096.35
Total volume of water consumption (in kilolitres)	2,51,804.60	2,10,096.35
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations) in kL/Million INR	17.32	16.19
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP) in kL/ Million INR adjusted to PPP	357.67	370.65
Water intensity in terms of physical output (in terms of number of beds)	121.94	102.73
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.:No

4. Provide the following details related to water discharged:

Parameter	FY 2025	FY 2024
Water discharge by destination and level of treatment (in kilolitres)		
i) To surface water		
- No treatment	-	-
- With treatment-please specify level of treatment	99,042.47	1,43,387.50
ii) To Groundwater		
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
iii) To Seawater		
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
iv) Sent to third-parties		
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
v) Others		
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
Total water discharge (in kilolitres)	99,042.47	1,43,387.50

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

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

No

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

Parameter	Please specify unit	FY 2025	FY 2024
NOx	MT	2.331	1.067*
Sox	MT	1.037	0.856*
Particulate matter (PM)	MT	0.907	0.579*
Persistent organic compounds (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others-please specify	-	-	-

Note: Calculation approach for FY 2025 is in line with GRI standards and CAFR requirements.

*Numbers for FY 2024 are restated to maintain the uniformity and consistency in reporting.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: No

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

Parameter	Unit	FY 2025	FY 2024
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2,055.61	1,712.35
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	13,735.96	12,677.14
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	emission intensity per million rupees of turnover	1.09	1.16
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	emission intensity per million rupee of turnover adjusted for Purchasing Power Parity (PPP)	22.43	26.63
Total Scope 1 and Scope 2 emission intensity in terms of physical output	emission intensity per number of beds	7.65	7.04

Note: The revised approach has been taken considering Annexure I (Carbon Accounting Proxy Methodology) under Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core for calculating scope 2 emissions.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: No

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

Rainbow Hospital has undertaken solar rooftop installations at its Hydernagar and Himayatnagar units as part of its sustainability efforts. These initiatives have led to a combined reduction of 113.16 TCO₂e in carbon emissions, 50.79 TCO₂e at Hydernagar and 62.37 TCO₂e at Himayatnagar. The move reflects the hospital's continued focus on adopting clean energy solutions and lowering its environmental footprint.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025	FY 2024
Total Waste generated (in metric tonnes)		
Plastic waste (A)	4.06	5.86
E-waste (B)	1.73	3.03
Biomedical Waste (C)	339.17	325.72
Construction and demolition waste (D)	0	25.42
Battery waste (E)	3.55	0.09
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G) (Waste Oil)	0.35	0.11
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) (Dry+wet+carton+iron+paper)	935.12	838.04
Total (A+B + C + D + E + F + G + H)	1,283.97	1,198.27
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.089	0.096
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	1.82	2.209
Waste intensity in terms of physical output (in terms of number of beds)	0.62	0.58
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
i) Recycled	-	-
ii) Re-used	-	-
iii) Other recovery operations (Co-processing)	-	-
Total	-	-

Parameter	FY 2025	FY 2024
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
i) Incineration	-	-
ii) Landfilling	-	-
iii) Other disposal operations (Sent to third party vendors)	1,283.97	1,135.18
Total	1,283.97	1,135.18

Note: With improved alignment to our internal waste tracking system, we have started disposing the generated waste on daily basis which is resulting into 100% waste disposal from FY 2025

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Categories of Waste:

1. Solid Waste

- General Waste: Includes dry waste (wrappers, tissues) and wet waste (organic kitchen waste).
- Biomedical Waste (BMW): Comprises human anatomical waste and contaminated medical materials, handled per the hospital's BMW policy.
- Scrap: Recyclable materials such as iron, plastic, and cardboard, sold to authorised vendors.
- E-Waste: Discarded electrical and electronic equipment, managed as per ESG guidelines in partnership with M/s Tritech Systems.

2. Liquid Waste

- Infected Liquids: Generated from surgical procedures and laboratory processes.
- Waste Oils: Includes used oil from kitchens and diesel generators, disposed of via authorised CPCB-approved vendors.
- Wastewater: Treated through in-house STP and ETP systems before safe discharge into municipal drains.

Waste Disposal Practices

- General Waste: Routed through municipal channels.
- BMW: Disposed of via authorised regulatory partners.
- E-Waste: Collected, stored, and periodically disposed of per ESG policy.
- Scrap and Oils: Managed through approved vendors; disposal data is recorded and tracked.
- Wastewater: Treated in compliance with environmental norms to prevent contamination.

FY25 Key Initiatives

1. Shift to sustainable, low-carbon materials.
2. Promotion of recyclable and eco-friendly bags.
3. Use of eco-friendly toys in pediatric care.
4. Phase-out of plastic bags across operations.
5. Strict segregation and authorized disposal of all waste streams.
6. Reinforcement of the "Reduce, Reuse, Recycle" approach in operations.

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

Sr. no.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not applicable					

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

Yes, the Company is in compliance with all the relevant statutory regulations and guidelines. There were no cases of non-compliances recorded during the financial year.

Leadership Indicators

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

For each facility/ plant located in areas of water stress, provide the following information:

i) Name of the area

ii) Nature of operations

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

Parameter	FY 2025	FY 2024
Water withdrawal by source (in kilolitres)		
i) Surface Water	-	-
ii) Ground Water	-	-
iii) Third Party Water	-	-
iv) Seawater / desalinated water	-	-
v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

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

Parameter	Unit	FY 2025	FY 2024
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover	emissions per rupee of turnover	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

There has been no significant direct or indirect impact on biodiversity.

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

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
	Solar Roof top	Renewable Energy Commissioning (Solar Roof top) at Hydernagar, Himayat Nagar	Green Energy Generated - 127146 KWH Co2 avoided - 113 Metric Tons
	VFD Installation	Energy conservation, it was useful for Energy Conservation, consume less Energy in its Operation.	Power Savings - 271,764.12 KWH Energy Savings - 303490 units of energy

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

We prioritize comprehensive disaster management and business continuity to safeguard lives, protect assets, and ensure uninterrupted delivery of critical healthcare services during both natural and man-made emergencies. Through a National Network of Emergency Services and 24-hour trauma care capabilities, our hospitals are equipped to respond effectively to diverse threats such as earthquakes, floods, fires, chemical spills, cyberattacks, and pandemics. Annual site-specific risk assessments inform regularly updated disaster response plans, which include standardized evacuation protocols, communication strategies, and medical triage procedures. Each facility develops unit-specific evacuation plans based on a centralized SOP and conducts quarterly mock drills alongside safety training programs covering various emergency scenarios. Strategic partnerships with nearby hospitals further strengthen our capacity to manage patient transfers during crises.

Our robust Enterprise Risk Management framework, operating at Corporate, Regional, and Unit levels, systematically identifies and mitigates risks that could impact sustainable growth and operational stability. Critical risks are reviewed by the Audit, Risk & Compliance Committee and the Executive Leadership Team, ensuring policies remain aligned with an evolving risk landscape. The organization-wide Business Continuity and Disaster Management Plan aims to minimize downtime, financial losses, and service disruptions while enabling rapid recovery and coordinated responses. Policies are accessible to all employees to foster preparedness and reinforce a culture of safety, resilience, and trust positioning us to maintain excellence in patient care and organizational performance under any circumstances.

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

The Company has not conducted any impact assessment of value chain partners w.r.t. direct or indirect impacts on the environment.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The Company has not undertaken any assessments of its value chain partners

8. How many Green Credits have been generated or procured:

a. By the listed entity - Nil

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners - Nil

PRINCIPLE 7:

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

Essential Indicators

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

10

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
2	Directorate of Medical Education	National
3	Telangana Super Specialty Hospitals Association	State
4	Consortium of Accredited Healthcare Organizations (CAHO)	National
5	Association of Healthcare Providers India (AHPI)	National
6	Confederation of Indian Industry (CII) - Healthcare Council	National
7	Healthcare Federation of India (NATHEALTH)	National
8	Indian Medical Association (IMA)	National
9	National Accreditation Board for Hospitals & Healthcare Providers (NABH)	National
10	Federation of Telangana Chambers of Commerce and Industry (FTCCI)	State

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

Name of authority	Brief of the case	Corrective action taken
Not applicable		

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
-	-	-	-	-	-

PRINCIPLE 8:**Businesses should promote inclusive growth and equitable development****Essential Indicators**

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

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

S. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable						

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

Rainbow has established a comprehensive grievance redressal mechanism to ensure that concerns raised by local communities are addressed promptly and effectively. The key channels include:

1. **Multi-Channel Communication Access:**

Rainbow provides a dedicated email ID, toll-free number, and official social media handles through which community members can raise concerns. Any query or complaint received via these channels is promptly directed to the respective operational unit for resolution.

2. **On-Ground Public Relations Support:**

Each operational unit is supported by a dedicated Public Relations Officer (PRO). When a concern is raised, the PRO ensures it is communicated to the relevant department or functionary and follows through to facilitate a timely resolution.

3. **Engagement with Local Authorities:**

Community members also have the option to report concerns directly to relevant local government authorities such as the Police Department, Health Department, or Municipal Corporation. Rainbow fully cooperates with these authorities to resolve issues.

In all cases, Rainbow treats community concerns with utmost seriousness and ensures that a clear and timely resolution is communicated back to the concerned community members.

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

	FY 2025	FY 2024
Directly sourced from MSMEs/ small producers	62%	83%
Directly from within India	100%	100%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2025	FY 2024
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	100%	100%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not applicable	

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

Sr. No.	State	Aspirational District	Amount spent (In INR)
Not applicable			

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable group? (Yes/ No)
No
- b. From which marginalized /vulnerable groups do you procure?
Not Applicable
- c. What percentage of total procurement (by value) does it constitute?
Not Applicable

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

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
-	NIL	NIL	NIL	NIL

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

Name of authority	Brief of the Case	Corrective action taken
N.A	N.A	N.A

6. Details of beneficiaries of CSR Projects:

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Installation of RO Plant for Clean Drinking Water in Chiramana Village, Nellore Dist, AP	2,000	15%
2	Awareness and Drive for Blood Stem Cell Preservation, Gangadhar Dist, Rajasthan	56	20%
3	Support to Emerging Sports Talent – Sanjana Sirimalla from Telangana, India	1	N.A

PRINCIPLE 9:**Businesses should engage with and provide value to their consumers in a responsible manner****Essential indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company has a multi-channel feedback system for collecting customer input. Outpatient (OP) feedback is gathered via SMS, while inpatient (IP) feedback is collected through the in-house app before discharge. Customers can also share feedback via the website, call center, or email at queries@rainbowhospitals.in. All feedback is shared with relevant teams for action, and the process is being upgraded with new, centralized touchpoints.

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

As a percentage to total turnover	
Environmental and social parameters relevant to the product	
Safe and responsible usage	Not applicable
Recycling and/or safe disposal	

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

	FY 2025		Remarks	FY 2024		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	21*	7	-	2,629	9	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Others (Products defects reported)	Nil	Nil	-	Nil	Nil	-

*In the current reporting year, the cases which were converted into a form of legal notices are considered.

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

	Number	Reasons for recall
Voluntary recalls	0	-
Forced recalls	0	-

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

Rainbow Hospitals is committed to protecting personal privacy through a strong cybersecurity framework and data privacy policy. It follows industry standards with continuous monitoring, risk assessments, and staff training. The privacy policy, available at <https://www.rainbowhospitals.in/terms-and-conditions,outlines> how personal information is collected, used, and secured.

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

None

7. Provide the following information relating to data breaches:**a. Number of instances of data breaches**

NIL

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

NIL

c. Impact, if any, of the data breaches

NIL

Leadership Indicators

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

The website features details regarding the company's healthcare services. The link for the website is <https://www.rainbowhospitals.in/>

Linkedin: <https://in.linkedin.com/company/rainbow-hospital>

Instagram: <https://www.instagram.com/rainbowchildrenshospitals/?hl=en>

Twitter: https://twitter.com/rch_india?lang=en

Facebook: <https://www.facebook.com/rainbowchildrenshospitals>

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

Not Applicable owing to the nature of business

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

The company had hired a prominent consulting firm to conduct a Risk Assessment study to pinpoint potential vulnerabilities. Upon identification, necessary measures were promptly taken to resolve the issues. Furthermore, to safeguard the availability of its website, the Company chose AWS as its hosting platform, benefiting from default Business Continuity Planning (BCP) strategies

4. A. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)

Not Applicable

B. If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Rainbow Children's Medicare Limited actively conducts regular surveys to evaluate customer satisfaction across key services and major operational locations. Patient feedback is primarily collected through SMS for Outpatient Department (OPD) and call center services. Additionally, the Company captures Net Promoter Scores (NPS) through both outpatient and inpatient feedback forms and closely monitors its Google My Business (GMB) ratings.

Independent auditor's report

To the Members of Rainbow Children's Medicare Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of Rainbow Children's Medicare Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements

that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of loan receivable (as described in Note 2.10 of the standalone financial statements)	
In the earlier years, the Company has given an unsecured loan to an external party (Madhukar Rainbow Children's Hospital). As at March 31, 2025 the loan outstanding balance is ₹ 327.72 million (including Interest accrued of ₹ 124.25 million).	In view of the significance of the matter, we performed the following procedures:
Due to the insufficient cash profits in the aforementioned party for the repayment of the loan, the Company is exposed to risk in respect of the recoverability of the loan.	1. Evaluated the design and implementation and tested operating effectiveness of key internal controls over the Company's impairment assessment process of the loan receivable.
The Company carries out assessment of recoverability of these loans and impairment at every period end. This assessment uses several key assumptions including estimates of future cash flows, discount rate and growth rate.	2. Traced interest paid during the year to bank statements and assessed the compliance with the stipulated terms of the loan agreement.
	3. Obtained independent confirmation of balances as at March 31, 2025 from the external party.

Key audit matters	How our audit addressed the key audit matter
We have identified impairment of loan as a key audit matter due to: - the significance of the carrying value of the loan; - assessment of impairment involves Company's significant judgement and estimates.	- Assessed the net worth of the external party on the basis of latest available financial statements. - Obtained the business projections of the external party from Management and performed the following procedures: - Compared the actual revenues and cash flows generated by the external party during the year with the budgets and estimates of the previous year. - Evaluated the reasonability of future cash flow projections prepared by the Management with respect to the key assumptions which include discount rate and growth rate. - Involved our internal experts to assess the methodology and key assumptions used for impairment assessment by management. - Verified the classification and disclosures of the loans in accordance with Schedule III of the Act and Ind-AS.
Impairment of investment (as described in Note 2.2 of the standalone financial statements)	
The Company has a total gross investment of ₹ 324.11 million in one of the wholly owned subsidiary companies (Rosewalk Healthcare Private Limited) as at March 31, 2025. Due to continued losses incurred by the subsidiary until previous year, the Company is exposed to risk in respect of the recoverability of its aforesaid investment. The Company carries out assessment of the impairment at every reporting period end. This assessment uses several key assumptions including estimates of future cash flows, discount rate and growth rate. We have identified impairment of investment as a key audit matter due to: - the significance of the carrying value of the investment; - assessment of impairment involves Company's significant judgement and estimates.	In view of the significance of the matter, we performed the following procedures: - Evaluated the design and implementation and tested operating effectiveness of key internal controls over the Company's impairment assessment process of the investment including the completeness and accuracy of the input data considered, reasonableness of assumptions considered in determining the present value of future cash flows. - Obtained the business projections of the subsidiary and performed the following procedures: - Compared the actual revenues and cash flows generated by the subsidiary during the year with the budgets. Agreeing current forecast with the approval of board of directors as well as our own assessment based on our knowledge of the entity. - Evaluated the management's future cash flow projections with regard to the appropriateness of key assumptions considered, including discount rate, growth rate, sensitivity analysis of the key assumptions etc, and duly considering the historical accuracy of the Company's estimate in the prior periods and comparison of the assumptions with observable market data wherever available. - Involved our internal experts to assess the methodology and key assumptions used for impairment assessment by management. - Assessed the adequacy of the disclosures in the standalone financial statements.

OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's report to be included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Company's Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above;
- (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 2.28 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 2.13 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account (SAP) and software for maintenance of hospital related revenue and consumption records (Arcus Air) which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's except that, audit trail feature is not enabled for direct changes to data when using certain access rights, as described in note 2.49 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of the software's where the audit trail has been enabled. Additionally, the audit trail in respect of Arcus Air has been preserved for a period of 3 months by the Company which is integrated to SAP on daily basis for all financial data and for SAP the audit trail of prior year has been preserved as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava

Partner

Membership Number: 504777

UDIN: 25504777BMOCMR4950

Place of Signature: Hyderabad

Date: May 24, 2025

Annexure '1' referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Rainbow Children's Medicare Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this program, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies were noticed on verification between the physical

stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) The Company has not been sanctioned working capital limits in excess of five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) During the year the Company has provided advances in the nature of loans to other parties as follows:

	Loans (₹ in million)	Advances in nature of loans (₹ in million)
Aggregate amount granted/ provided during the year		
- Subsidiaries	Nil	Nil
- Others	Nil	49.31
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	2.00	Nil
- Others	203.47	35.27

(b) The terms and conditions of the grant of advances in the nature of loans to other parties are not prejudicial to the Company's interest.

(c) The Company has granted loans and advance in the nature of loans during the year to companies and other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans and advances in the nature of loans granted to companies and other parties which are overdue for more than ninety days.

(e) During the year, the Company has extended the loan to these parties which had fallen due during the year.

The aggregate amount of such dues extended and the percentage of the aggregate to the total loans granted during the year are as follows:

Name of Parties	Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Madhukar Rainbow Children's hospital	₹ 203.47 million	80%

- (f) The Company has not granted any advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

- (iv) The Company has not advanced loans to directors / to a Company in which the director is interested to which provisions of section 185 of the Companies Act 2013 apply and hence not commented upon. Loans, investments, guarantees and security in respect of which provisions of 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

- (b) The dues of luxury tax and income tax which have not been deposited on accounted of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹ in millions)	Amount paid under protest (₹ in millions)	Period to which the amount relates	Forum where the dispute is pending
Andhra Pradesh Tax on Luxuries Act, 1987	Luxury tax	18.55	8.30	Financial year 2010-11 to 2013-14	High court of Telangana
Income Tax Act, 1961	Tax and interest thereon	6.40	Nil	Financial year 2022-23	Joint Commissioner (Appeals) or the Commissioner of Income-tax (Appeals)

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to healthcare services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

The provisions relating to sales-tax, service tax, duty of customs, duty of excise, value added tax are not applicable to the Company.

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

- (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company (refer note 2.48 for details on utilisation of money raised by way of initial public offer in the previous year).
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any non-banking financial or housing finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 2.44 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability

of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 2.37 to the standalone financial statements.
- (b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to

special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 2.37 to the standalone financial statements.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava

Partner

Membership Number: 504777

UDIN: 25504777BMOCMR4950

Place of Signature: Hyderabad

Date: May 24, 2025

Annexure '2' to the independent auditor's report of even date on the standalone financial statements of Rainbow Children's Medicare Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Rainbow Children's Medicare Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone

financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria

established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava

Partner

Membership Number: 504777

UDIN: 25504777BMOCMR4950

Place of Signature: Hyderabad

Date: May 24, 2025

Standalone Balance Sheet

as at 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
a. Property, plant and equipment	2.1(a)	7,995.63	6,230.82
b. Capital work-in-progress	2.1(a)	276.69	138.24
c. Right-of-use of assets	2.32	5,579.54	5,915.44
d. Intangible assets	2.1(b)	102.42	40.70
e. Intangible assets under development	2.1(b)	6.93	60.92
f. Financial assets			
(i) Investments	2.2	465.45	465.45
(ii) Loans	2.10 (a)	299.54	332.51
(iii) Other financial assets	2.3 (a)	310.42	252.41
g. Deferred tax assets (net)	2.27 (d)	285.94	253.68
h. Non-current tax assets (net)	2.4 (a)	99.86	136.00
i. Other non-current assets	2.5	264.76	1,735.22
Total non-current assets		15,687.18	15,561.39
Current assets			
a. Inventories	2.6	227.42	225.86
b. Financial assets			
(i) Investments	2.7	5,495.01	2,996.16
(ii) Trade receivables	2.8	784.62	715.59
(iii) Cash and cash equivalents	2.9 (a)	168.90	74.85
(iv) Bank balances other than (iii) above	2.9 (b)	0.20	0.07
(v) Loans	2.10 (b)	30.45	-
(vi) Other financial assets	2.3 (b)	981.96	1,792.84
c. Other current assets	2.11	166.46	137.60
Total current assets		7,855.02	5,942.97
TOTAL ASSETS		23,542.20	21,504.36
EQUITY AND LIABILITIES			
EQUITY			
a. Equity share capital	2.12	1,015.52	1,015.02
b. Other equity	2.13	13,869.92	11,837.49
TOTAL EQUITY		14,885.44	12,852.51
LIABILITIES			
Non-current liabilities			
a. Financial liabilities			
(i) Lease liabilities	2.32	7,147.05	7,193.80
b. Provisions	2.14	94.25	72.94
Total non-current liabilities		7,241.30	7,266.74
Current liabilities			
a. Financial liabilities			
(i) Lease liabilities	2.32	196.50	153.20
(ii) Trade payables	2.15		
a) Total outstanding dues to micro enterprises and small enterprises		91.16	86.09
b) Total outstanding dues to creditors other than micro enterprises and small enterprises		767.62	677.31
(iii) Other financial liabilities	2.16	169.66	324.49
b. Other current liabilities	2.19	125.26	114.35
c. Provisions	2.17	65.26	29.66
d. Current tax liabilities (net)	2.18	-	0.01
Total current liabilities		1,415.46	1,385.11
TOTAL EQUITY AND LIABILITIES		23,542.20	21,504.36
Summary of material accounting policies	1		

The accompanying notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached.

for **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Atin Bhargava**

Partner

Membership Number.: 504777

for and on behalf of the Board of Directors of

Rainbow Children's Medicare Limited

CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla

Chairman and Managing Director

DIN: 00212270

Vikas Maheshwari

Chief Financial Officer

Dr. Dinesh Kumar Chirila

Director

DIN: 01395841

Shreya Mitra

Company Secretary

Membership Number: A54901

Place: Hyderabad

Date: 24 May 2025

Place: Hyderabad

Date: 24 May 2025

Place: Hyderabad

Date: 24 May 2025

Standalone Statement of Profit and Loss

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
INCOME			
Revenue from operations	2.20	14,545.07	12,365.62
Other income	2.21	489.49	369.48
Total income		15,034.56	12,735.10
EXPENSES			
Cost of materials consumed	2.22	1,898.69	1,571.27
Employee benefits expense	2.23	1,976.08	1,687.09
Finance costs	2.24	695.94	560.66
Depreciation and amortisation expense	2.25	1,317.48	1,051.51
Professional fees to doctors	2.26 (i)	3,484.90	2,877.30
Other expenses	2.26 (ii)	2,440.64	2,095.10
Total expenses		11,813.73	9,842.93
Profit before tax		3,220.83	2,892.17
Tax expenses:	2.27		
(a) Current tax		856.68	745.43
(b) Deferred tax		(31.54)	(2.17)
(c) Adjustment of tax related to earlier periods		19.84	-
Total tax expense		844.98	743.26
Profit for the year		2,375.85	2,148.91
Other comprehensive income			
Items that will not be reclassified subsequently to the Statement of Profit or Loss			
Re-measurement (loss) / gain on defined benefit obligation	2.30	(2.88)	17.21
Income tax effect	2.27	0.72	(4.33)
Other comprehensive income for the year, net of tax		(2.16)	12.88
Total comprehensive income for the year		2,373.69	2,161.79
Earning per share (face value of share ₹10 each, fully paid)	2.35		
- Basic (₹)		23.40	21.17
- Diluted (₹)		23.27	21.17
Summary of material accounting policies	1		

The accompanying notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached.

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava
Partner
Membership Number.: 504777

Place: Hyderabad
Date: 24 May 2025

for and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Vikas Maheshwari
Chief Financial Officer

Place: Hyderabad
Date: 24 May 2025

Dr. Dinesh Kumar Chirila
Director
DIN: 01395841

Shreya Mitra
Company Secretary
Membership Number: A54901

Place: Hyderabad
Date: 24 May 2025

Standalone Statement of Cash Flows

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash flows from operating activities		
Profit before tax	3,220.83	2,892.17
Adjustments:		
Depreciation and amortisation expense	1,317.48	1,051.51
Dividend income from subsidiary	-	(14.19)
Gain on redemption of mutual funds	(78.13)	(73.55)
Net gain on financial assets measured at fair value through profit or loss	(269.80)	(58.85)
Unrealised foreign exchange loss, net	0.12	0.21
Interest income on financial assets carries at amortised cost	(140.01)	(192.51)
Employee share based payment expense	(12.71)	54.30
Finance cost	695.94	560.66
Advances written off	-	3.46
Bad debts written off	1.70	0.15
Allowance / (reversal) for expected credit loss	7.31	(28.42)
Net gain on sale of property, plant and equipment	(0.80)	(1.27)
Liabilities no longer required written back	(0.75)	(0.69)
	4,741.18	4,192.98
Adjustments for working capital:		
(Increase) in inventories	(1.56)	(49.12)
(Increase) in trade receivables	(78.04)	(177.91)
(Increase) in financial and other assets	(102.73)	(52.47)
Increase in trade payables	95.40	13.67
(Decrease) in financial and current liabilities	(17.42)	(35.84)
Increase in provisions	54.03	33.61
Cash generated from operations	4,690.86	3,924.92
Income tax paid, net	(840.39)	(860.74)
Net cash from operating activities (A)	3,850.47	3,064.18
Cash flows from investing activities		
Purchase of property, plant and equipment, intangibles, intangible assets under development including capital advances, capital creditors and capital work-in-progress	(1,433.04)	(3,520.90)
Proceeds from sale of property, plant and equipment	0.80	1.27
Bank deposits redeemed with maturity of more than three months	2,343.71	4,943.92
Bank deposits invested with maturity of more than three months	(1,598.50)	(1,651.20)
Interest received	211.01	225.39
Dividend received	-	14.19
Gain on redemption of mutual funds, net	78.13	73.55
Investment in mutual funds	(8,254.59)	(8,530.96)
Redemption of mutual funds	6,025.54	6,174.98
Loans given	-	(2.00)
Loans realised	-	134.50
Net cash used in investing activities (B)	(2,626.94)	(2,137.26)
Cash flows from financing activities		
Payment of lease liabilities	(825.34)	(680.24)
Proceeds from issue of share capital	0.50	-
Refund of share issue expenses	-	14.70
Dividend paid	(304.64)	(304.44)
Net cash used in financing activities (C)	(1,129.48)	(969.98)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	94.05	(43.06)
Cash and cash equivalents at the beginning of the year	74.85	117.91
Cash and cash equivalents at the end of the year (note b)	168.90	74.85

Standalone Statement of Cash Flows (Contd..)

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

Notes:

- a) The above Standalone Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows".
- b) Components of cash and cash equivalents as at [Refer note 2.9 (a)]

	As at 31 March 2025	As at 31 March 2024
Cash on hand	10.90	7.42
Balance with banks:		
- Current accounts	158.00	67.43
	168.90	74.85

- c) Reconciliation between opening and closing balances in the Balance sheet for liabilities and financial assets arising from financing activities for movement in Standalone Statement of Cash Flows are given below.

	As at 31 March 2025	As at 31 March 2024
Opening balance:		
Lease liabilities	7,347.00	5,382.90
Movement:		
Lease liabilities:		
Finance cost on lease liabilities (including capitalisation)	696.84	592.12
Addition to lease liabilities (net)	125.55	2,011.42
Lease modification	(0.50)	40.80
Payment of lease liabilities	(825.34)	(680.24)
Closing balance:		
Lease liabilities	7,343.55	7,347.00

The accompanying notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached.

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Atin Bhargava**
Partner
Membership Number: 504777

Place: Hyderabad
Date: 24 May 2025

for and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Vikas Maheshwari
Chief Financial Officer

Place: Hyderabad
Date: 24 May 2025

Dr. Dinesh Kumar Chirila
Director
DIN: 01395841

Shreya Mitra
Company Secretary
Membership Number: A54901

Place: Hyderabad
Date: 24 May 2025

Standalone Statement of Changes in Equity

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

(A) EQUITY SHARE CAPITAL

Particulars	Number of shares	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid-up		
As at 01 April 2023	101,501,687	1,015.02
Add: Shares issued during the year	-	-
As at 01 April 2024	101,501,687	1,015.02
Add: Shares issued during the year	49,986	0.50
As at 31 March 2025	101,551,673	1,015.52

(B) OTHER EQUITY

Particulars	Securities premium	General reserve	Share Options outstanding account	Retained earning	Total other equity
Balance as at 01 April 2023	3,972.28	44.43	-	5,852.15	9,868.86
Profit for the year	-	-	-	2,148.91	2,148.91
Refund of share issue expenses *	14.70	-	-	-	14.70
Employee share based payment expenses (refer note 2.45)	-	-	96.58	-	96.58
Appropriations:					
Final dividend on equity shares for the year ended 31 March 2023. i.e. ₹ 3 per share	-	-	-	(304.44)	(304.44)
Remeasurement of defined benefit liability (net of tax effect)	-	-	-	12.88	12.88
Balance as at 31 March 2024	3,986.98	44.43	96.58	7,709.50	11,837.49
Balance as at 01 April 2024	3,986.98	44.43	96.58	7,709.50	11,837.49
Profit for the year	-	-	-	2,375.85	2,375.85
Employee share based payment expenses (refer note 2.45)	43.11	-	(79.73)	-	(36.62)
Appropriations:					-
Final dividend on equity shares for the year ended 31 March 2024. i.e. ₹ 3 per share	-	-	-	(304.64)	(304.64)
Remeasurement of defined benefit liability (net of tax effect)	-	-	-	(2.16)	(2.16)
Balance as at 31 March 2025	4,030.09	44.43	16.85	9,778.55	13,869.92

* During the Previous year, the Company has received an amount of ₹ 14.70 million towards the Company's share of unspent share issue expenses. The same has been adjusted with securities premium as per Companies Act, 2013.

The accompanying notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached.

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava
Partner
Membership Number.: 504777

for and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Vikas Maheshwari
Chief Financial Officer

Dr. Dinesh Kumar Chirila
Director
DIN: 01395841

Shreya Mitra
Company Secretary
Membership Number: A54901

Place: Hyderabad
Date: 24 May 2025

Place: Hyderabad
Date: 24 May 2025

Place: Hyderabad
Date: 24 May 2025

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

1. MATERIAL ACCOUNTING POLICIES

1.1 Corporate information

Rainbow Children's Medicare Limited (formerly known as Rainbow Children's Medicare Private Limited) ('the Company') (CIN L85110TG1998PLC029914) was incorporated on 07 August 1998 as a Private Limited Company under the Companies Act, 2013 having registered office at 8-2-120/103/1, Survey No. 403, Road No.2, Banjara Hills, Hyderabad, Telangana-500034. The Company is primarily engaged in the business of rendering medical and healthcare services.

The Company's shares are listed on the BSE Limited and National Stock Exchange of India Limited. The standalone financial statements were approved by the Board of Directors for issue on 24 May 2025.

1.2 Basis of preparation

(i) Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements notified under section 133 of Companies Act, 2013, ("the Act") and other relevant provisions of the Act.

(ii) Basis of measurement

The standalone financial statements have been prepared on a historical cost convention and on accrual basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), defined benefit and other long-term employee benefits where present value of defined benefit obligations ("DBO") is measured at fair value and share based payment is measured at fair value. The accounting policies are applied consistently to all the years presented in the standalone financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

(iii) Functional and Presentation Currency

These Standalone Financial Statements are presented in Indian Rupees (INR or ₹), which is also the Company's functional currency. All amounts

have been rounded-off to two decimal places to the nearest million, unless otherwise indicated. The comparatives are presented for the year ended and as on 31 March 2024.

(iv) Use of estimates and judgements:

In preparing these Standalone 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.

Estimates and underlying assumptions are reviewed on an periodic basis. Revisions to accounting estimates are recognised prospectively

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the Standalone Financial Statements is included in the following notes:

Lease term: Whether the Company is reasonably certain to exercise extension options (Note 1.3(j))

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year is included in the following notes:

- **Contingent liabilities:** Contingent liabilities are not recognised in the financial statements but are disclosed in the notes. They are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs (except in the extremely rare circumstances where no reliable estimate can be made). (Note 1.3(n))

- **Income taxes:** Significant judgements are involved in determining the provision for

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. (Note 1.3(k))

- **Measurement of defined benefit obligations:** Key actuarial assumptions used for actuarial valuation. (Note 1.3(h))

- **Impairment of financial assets:** The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. (Note 1.3(d))

- **Impairment of non-financial assets:** Key assumptions underlying recoverable amount including forecasted projections.

- **Property, plant and equipment:** Useful life of asset. (Note 1.3(b))

- **Lease liabilities:** measurement of incremental borrowing costs. (Note 1.3(j))

- **Other estimates:** The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

(v) Current versus Non-current classification

All assets and liabilities are classified into current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- i. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

- ii. it is held primarily for the purpose of being traded;

- iii. it is expected to be realised within 12 months after the reporting date; or

- iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- i. it is expected to be settled in the Company's normal operating cycle;

- ii. it is held primarily for the purpose of being traded;

- iii. it is due to be settled within 12 months after the reporting date; or

- iv. the Company does not have an unconditional right to defer settlement of the liability for at least 12 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 fresh instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company normal operating cycle is twelve months.

(vi) Measurement of fair values

Accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair values are categorised 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).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different level of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in the following notes in financial instruments [Refer note 2.41]

1.3 Material accounting policies:

a. Financial Instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets:

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and - its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL -These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost -These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI -These assets are subsequently measured at fair value. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets:

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Company derecognises a financial asset when:
- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

Financial liabilities:

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform, the Company updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e., the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Company first updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applied the policies on accounting for modifications to the additional changes.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

b. Property, plant and equipment

i. Recognition and measurement:

Items of property, plant and equipment are measured at cost (which includes capitalised borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any. The cost on item of property, plant and equipment comprises its purchase price, taxes, duties, freight and any other directly attributable costs of bringing the assets to their working condition for their intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

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

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net in the standalone statement of profit and loss.

ii. Transition to IND-AS

The cost of property, plant and equipment as at 1 April 2016, the Company date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

iii. Subsequent costs:

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably.

iv. Depreciation:

Depreciation on Property, plant and equipment (other than for that class of assets specifically mentioned below) is calculated on a straight-line

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

basis as per the useful life prescribed and in the manner laid down under Schedule II to the Companies Act 2013 and additions and deletions are restricted to the period of use. Depreciation is charged to standalone statement of profit and loss.

If the Management's estimate of the useful life of a property, plant and equipment is different than that envisaged in the aforesaid Schedule, depreciation is provided based on the Management's estimate of the useful life. Pursuant to this policy, depreciation on the following class of property, plant and equipment has been provided at the rates based on the following useful lives of property, plant and equipment as estimated by Management which is different from the useful life prescribed under Schedule II of the Companies Act, 2013.

Description	Useful life (in years) by Management	Useful life (in years) under Schedule II of the Act
Buildings	60 years	60 years
Medical equipments*	7 years	13 years
Plant and equipments	15 years	15 years
Office equipments	5 years	5 years
Vehicles*	5 years	8 years
Computers	3 years	3 years
Furniture and Fixtures	10 years	10 years

*For these classes of assets, based on technical evaluation, the Management believes that the useful lives as given above best represents the period over which Management expects to use these assets. Hence, the useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Leasehold Improvements are amortised over the period of lease or the estimated useful life, whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

Advances paid towards acquisition of tangible and intangible assets outstanding at each balance sheet date are shown under other non-current assets as capital advances.

c. Intangible assets and amortisation:

Computer software acquired by the Company, the value of which is not expected to diminish in the foreseeable future, is capitalised and recorded in the Balance sheet as computer software at cost of acquisition less accumulated amortisation and accumulated impairment losses.

Computer software is amortised on straight line basis over a period of five years.

Amortisation method and useful lives are reviewed at the end of each financial year and adjusted if appropriate.

The Company capitalizes costs related to specific upgrades and enhancements of software when it is probable the expenditures will result in additional features, functionality and significant customer experience. The Company also capitalizes all direct and incremental costs incurred during the development phase, until such time when the software is substantially complete and ready for use.

Intangible asset is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the standalone statement of profit and loss, when the asset is derecognised.

d. Impairment of assets

Impairment of financial assets

The Company recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Company also recognises loss allowances for ECLs on finance lease receivables, which are disclosed as financial assets.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade and finance lease receivables, loans and contract assets are always measured at an amount equal to lifetime ECLs.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company historical experience and informed credit assessment, that includes forward-looking information.

Measurement of expected credit losses

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial

asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise.
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company procedures for recovery of amounts due.

e. Investments

Equity investments which are in scope of Ind AS 109 are measured at fair value. For all other equity instruments in scope of Ind AS 109, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

f. Investments in subsidiaries

Investment in equity instruments issued by subsidiary is measured at cost less impairment. Investments in subsidiary is evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. If such investment is considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the investment exceeds the estimated recoverable amount of the investment.

g. Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition inclusive of non-refundable (adjustable) taxes wherever applicable. The Company follows the first in first out (FIFO) method for determining the cost of such inventories.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

h. Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised 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 amount of obligation can be estimated reliably.

Share based payment transactions

The grant date fair value of equity settled share based payment awards granted to employees is recognised

as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

Post-employment benefit

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payment is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability considering any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Compensated absences

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit and the accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

i. Revenue recognition

The Company's revenue from medical and healthcare services comprises of income from hospital services and sale of pharmacy items.

Income from hospital services is recognised as when the related services are rendered. The performance obligations for this stream of revenue include accommodation, surgery, medical/clinical professional services, food and beverages, investigation and supply of pharmaceutical and related products.

Revenue is measured based on the transaction price, which is the fixed consideration adjusted for components of variable consideration which constitutes discounts, estimated disallowances and any other rights and obligations as specified in the contract with the customer. In determining the transaction price for the hospital services, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable

to the customer (if any). Revenue is recognised at the point in time for the inpatient / outpatient hospital services when the related services are rendered at the transaction price.

'Unbilled revenue' represents value to the extent of medical and healthcare services rendered to the patients who are undergoing treatment/ observation on the balance sheet date and is not billed as at the balance sheet date.

Revenue from sale of pharmacy is recognised when it transfers control over a good or service to the customer, generally on delivery of product to the customer.

Medical service fee is recognised when the related services are rendered unless significant future uncertainties exist.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Contract balances:

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Notes to the Standalone Financial Statements

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(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

j. Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payments.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'Property, plant and equipment' and lease liabilities separately in the balance sheet within 'Financial Liabilities'.

Short-term leases and leases of low-value assets:

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery and buildings that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

k. Income-tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

Current tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax assets recognised or unrecognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax 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 if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by

the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

I. Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

m. Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in statement of profit and loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

n. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the Standalone Financial Statements. However, contingent assets are assessed continually

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for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

o. Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing activities and financing activities of the Company are segregated.

p. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Where bank overdrafts/ cash credits which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents. Bank overdrafts are shown within short term-borrowings in the balance sheet.

q. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

r. Share capital

Equity shares incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

s. Share issue expenses

Share issue expenses are adjusted against the securities premium account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the securities premium account. Any refund of share issue expenses will be adjusted against securities premium.

t. Segment reporting

As defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker i.e. Board of Directors of the Company evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segment. Medical and Healthcare services has been considered as the only reportable segment. Hence, no separate final disclosure have been provided for the segment reporting.

u. Climate - related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.1 (a) PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	Freehold land	Buildings	Leasehold improvements (refer note (i) below)	Medical equipments (refer note (i) below)	Plant and equipments	Furniture and fixtures	Office equipments	Vehicles	Computers	Total	Capital work-in-progress
Cost or deemed cost											
As at 01 April 2023	33.06	399.11	3,169.15	1,640.39	885.38	492.28	239.86	176.05	138.02	7,173.30	208.98
Additions	5.41	1.54	1,073.22	482.78	305.64	142.12	115.83	25.09	85.42	2,237.05	2,166.31
Disposals*	-	-	-	-	-	-	-	(3.34)	-	(3.34)	(2,237.05)
As at 31 March 2024 (A)	38.47	400.65	4,242.37	2,123.17	1,191.02	634.40	355.69	197.80	223.44	9,407.01	138.24
As at 01 April 2024	38.47	400.65	4,242.37	2,123.17	1,191.02	634.40	355.69	197.80	223.44	9,407.01	138.24
Additions	1,766.52	1.71	298.04	241.30	123.80	57.85	58.61	3.56	32.45	2,583.84	2,722.29
Disposals*	-	-	-	(1.20)	-	-	(0.21)	(3.79)	-	(5.20)	(2,583.84)
As at 31 March 2025 (B)	1,804.99	402.36	4,540.41	2,363.27	1,314.82	692.25	414.09	197.57	255.89	11,985.65	276.69
Accumulated depreciation:											
As at 01 April 2023	-	15.13	758.16	910.72	256.05	231.22	164.90	91.10	95.51	2,522.79	-
Depreciation	-	6.64	198.96	214.21	66.35	59.59	47.17	29.96	33.86	656.74	-
Disposals	-	-	-	-	-	-	-	(3.34)	-	(3.34)	-
As at 31 March 2024 (C)	-	21.77	957.12	1,124.93	322.40	290.81	212.07	117.72	129.37	3,176.19	-
As at 01 April 2024	-	21.77	957.12	1,124.93	322.40	290.81	212.07	117.72	129.37	3,176.19	-
Depreciation	-	6.66	264.03	256.49	86.48	67.37	56.70	30.04	51.26	819.03	-
Disposals	-	-	-	(1.20)	-	-	(0.21)	(3.79)	-	(5.20)	-
As at 31 March 2025 (D)	-	28.43	1,221.15	1,380.22	408.88	358.18	268.56	143.97	180.63	3,990.02	-
As at 31 March 2025 (B-D)	1,804.99	373.93	3,319.26	983.05	905.94	334.07	145.53	53.60	75.26	7,995.63	276.69
As at 31 March 2024 (A-C)	38.47	378.88	3,285.25	998.24	868.62	343.59	143.62	80.08	94.07	6,230.82	138.24

* Disposals with respect to capital-work-in progress represents property, plant and equipment capitalisations.

Note:

- Delhi Development authority (DDA) has granted 5,500 square meters of land on perpetual lease to Madhukar Multispecialty Hospital Research Centre (MMHRC) in Malviyanagar (Delhi) via lease deed dated 16 September 2005. MMHRC has constructed a hospital building on this land with all infrastructure and services and 50% of the space was sublet to the Company to operate and render healthcare services. DDA vide its letter dated 28 January 2019 to MMHRC has restricted subletting to 25% instead of earlier 50% and accordingly the Company and MMHRC had executed the amended sub lease agreement dated 27 March 2019 which is effective from 01 April 2019. As at 31 March 2025, leasehold improvements and medical equipments include ₹92.60 million and ₹ 26.91 million (31 March 2024: ₹98.74 million and ₹ 36.83 million) respectively in respect of this hospital. The Management is utilising the assets for the purpose of providing medical services at MMHRC.
- Refer note 2.38 for details of incidental expenditure capitalised during the construction period.
- The title deeds of immovable properties (other than properties where the Company is the lessee and the lease arrangements are duly executed in favour of the lessee) are held in the name of the Company and the Company does not have any investment property.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.1 (a) PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS (continued)

Capital work-in-progress (CWIP) ageing schedule:

As at 31 March 2025

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	245.05	28.91	2.38	0.35	276.69
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2024

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	131.89	6.00	0.35	-	138.24
Projects temporarily suspended	-	-	-	-	-

There are no capital work in progress projects, whose completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2025 and 31 March 2024.

2.1 (b) Intangible assets and Intangible assets under development

Particulars	Intangible assets	Intangible assets under development
	Software	
Cost or deemed cost		
As at 01 April 2023	127.76	19.08
Additions	20.59	62.43
Disposals*	-	(20.59)
As at 31 March 2024 (A)	148.35	60.92
As at 01 April 2024	148.35	60.92
Additions	85.55	31.56
Disposals*	-	(85.55)
As at 31 March 2025 (B)	233.90	6.93
Accumulated amortisation		
As at 01 April 2023	94.67	-
Amortisation	12.98	-
Disposals	-	-
As at 31 March 2024 (C)	107.65	-
As at 01 April 2024	107.65	-
Amortisation	23.84	-
Disposals	-	-
As at 31 March 2025 (D)	131.49	-
Net carrying amount		
As at 31 March 2025 (B-D)	102.42	6.93
As at 31 March 2024 (A-C)	40.70	60.92

* Disposals with respect to intangible assets under development represents intangible asset capitalisations.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.1 (b) Intangible assets and Intangible assets under development (continued)

Intangible assets under development ageing schedule:

As at 31 March 2025

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	0.65	-	6.28	-	6.93
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2024

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	47.47	13.45	-	-	60.92
Projects temporarily suspended	-	-	-	-	-

The Company does not have any Intangible assets under development which is overdue or has exceeded its cost compared to its original plan as at 31 March 2025 and 31 March 2024.

2.2 NON-CURRENT INVESTMENTS

(Valued at cost unless stated otherwise)

	As at 31 March 2025	As at 31 March 2024
A. Investments at fair value through other comprehensive income		
Investments in unquoted equity instruments		
- Vamana Solar Private Limited* 2,600 shares of ₹10 each, fully paid up (31 March 2024: 2,600 shares)	0.03	0.03
B. Investments at cost		
Investments in unquoted equity instruments - In subsidiaries		
(a) Rainbow Children's Hospital Private Limited 9,999 shares of ₹10 each, fully paid up (31 March 2024: 9,999 shares of ₹10 each)	0.10	0.10
Less: Impairment loss	(0.10)	(0.10)
	-	-
(b) Rainbow Women & Children's Hospitals Private Limited 9,999 shares of ₹10 each, fully paid up (31 March 2024: 9,999 shares of ₹10 each)	0.10	0.10
Less: Impairment loss	(0.10)	(0.10)
	-	-
(c) Rainbow Speciality Hospitals Private Limited 14,185,247 shares of ₹10 each, fully paid up (31 March 2024: 14,185,247 shares of ₹10 each)	142.51	142.51
(d) Rosewalk Healthcare Private Limited 36,046,585 shares of ₹10 each, fully paid up (31 March 2024: 36,046,585 shares of ₹10 each)	324.11	324.11
Less: Impairment loss **	(46.30)	(46.30)
	277.81	277.81

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.2 NON-CURRENT INVESTMENTS (continued)

	As at 31 March 2025	As at 31 March 2024
(e) Rainbow Fertility Private Limited 4,499,999 shares of ₹10 each, fully paid up (31 March 2024: 4,499,999 shares of ₹10 each)	45.00	45.00
(f) Rainbow CRO Private Limited 99,999 shares of ₹10 each, fully paid up (31 March 2024: 99,999 shares of ₹10 each)	0.10	0.10
	465.45	465.45
Aggregate book value of unquoted investments	465.45	465.45
Aggregate amount of impairment in value of investments	46.50	46.50

*The Company has designated the investments in Vamana Solar Private Limited as equity shares at FVOCI. The fair value of this investment as at 31 March 2025 is ₹ 0.03 million (31 March 2024: ₹ 0.03 million).

** The Company has carried out an impairment assessment for investment made by the Company. Based on the detailed impairment evaluation carried out by the Company duly considering the discounted future cashflows of the subsidiary, the Company has assessed that impairment is ₹ Nil for the year ended 31 March 2025 (31 March 2024: ₹ Nil) as an impairment loss on investment.

The Company's exposure to credit risk and market risk related to investments has been disclosed in Note 2.39.

2.3 (a) Other financial assets (non-current) (at amortised cost)

Particulars	As at 31 March 2025	As at 31 March 2024
Bank deposits with remaining maturity more than 12 months	20.26	25.11
Interest accrued on deposits	4.19	2.28
Security deposits	285.97	225.02
	310.42	252.41

The Company's exposure to credit and market risk are disclosed in Note 2.39.

2.3 (b) Other financial assets (current) (at amortised cost)

Particulars	As at 31 March 2025	As at 31 March 2024
Bank deposits with remaining maturity less than 12 months #	957.95	1,698.44
Interest accrued on deposits	24.01	94.40
	981.96	1,792.84

Includes an amount of ₹ 21.80 million (31 March 2024: Nil) deposited towards on-going CSR projects and an amount of ₹ 3.00 million (31 March 2024: Nil) towards margin money deposits against bank guarantees.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.4 NON-CURRENT TAX ASSETS (NET)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance tax (net of provision for taxation) (refer note 2.27 (b))	99.86	136.00
	99.86	136.00

2.5 OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)		
Capital advances		
- to other than related parties	232.04	1,700.22
Prepaid expenses	19.56	25.01
Amounts paid under protest	13.16	9.99
	264.76	1,735.22
(Unsecured, considered doubtful)		
Capital advances (credit impaired)	-	0.15
Less: Allowance for doubtful advances	-	(0.15)
	-	-
	264.76	1,735.22

2.6 INVENTORIES

(valued at the lower of cost or net realisable value)

Particulars	As at 31 March 2025	As at 31 March 2024
Medical consumables and pharmacy items	227.42	225.86
	227.42	225.86

2.7 CURRENT INVESTMENTS

Particulars	As at 31 March 2025	As at 31 March 2024
Investments at fair value through profit or loss		
Quoted:		
Investments in Mutual funds - quoted		
Aditya Birla Sunlife Banking & PSU Debt Fund - Growth - Direct Plan 1,113,485.77 Units (31 March 2024: 891,229.77 Units)	414.40	305.59
HDFC Liquid Fund - Growth - Direct Plan 5,901.57 Units (31 March 2024: 31,696.61 Units)	30.06	150.36
HDFC Large & Midcap Fund - Growth - Direct Plan 431,099.53 Units (31 March 2024: 73,194.97 Units)	140.19	21.91
HDFC Corporate Bond Fund - Growth - Direct Plan 13,722,798.35 Units (31 March 2024: Nil Units)	446.56	-
HDFC Arbitrage Fund - Growth - Direct Plan 84,39,290.35 Units (31 March 2024: Nil Units)	167.33	-
DSP Liquid Fund - Growth - Direct Plan 12,160.62 Units (31 March 2024: Nil Units)	45.09	-
Bandhan Liquid Fund - Growth Direct Plan Nil Units (31 March 2024: 33,185.09 Units)	-	96.81

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.7 CURRENT INVESTMENTS (continued)

Particulars	As at 31 March 2025	As at 31 March 2024
UTI Money Market Fund - Growth - Direct Plan 43,049.97 Units (31 March 2024: 130,817.03 Units)	131.76	371.16
ICICI Prudential Large & Midcap Fund - Growth - Direct Plan 141,192.74 Units (31 March 2024: 24,252.04 Units)	145.65	22.22
ICICI Prudential Banking & PSU Debt Fund - Growth - Direct Plan 10,550,288.35 Units (31 March 2024: 9,932,127.10 Units)	352.11	305.70
ICICI Prudential All Seasons Bond Fund - Growth - Direct Plan 8,328,117.37 Units (31 March 2024: 1,407,864.73 Units)	325.26	50.22
ICICI Prudential Equity Arbitrage Fund - Growth - Direct Plan 10,692,747.42 Units (31 March 2024: 10,692,747.42 Units)	386.53	358.04
Sundaram Liquid Fund - Growth - Direct Plan 9,082.04 Units (31 March 2024: Nil Units)	20.81	-
Tata Money Market Fund - Growth - Direct Plan 22,126.01 Units (31 March 2024: 22,126.04 Units)	104.35	96.64
TATA Arbitrage Fund - Growth - Direct Plan 19,192,942.67 Units (31 March 2024: Nil Units)	284.83	-
Parag Parikh Flexi Cap Fund - Growth - Direct Plan 1,691,383.96 Units (31 March 2024: 259,223.76 Units)	145.12	19.41
SBI Arbitrage Opportunities Fund - Growth - Direct Plan 8,818,633.98 Units (31 March 2024: 8,818,633.98 Units)	311.41	288.67
SBI Corporate Bond Fund 31,198,932.32 Units (31 March 2024: Nil Units)	486.91	-
Kotak Banking & PSU Debt Fund - Growth - Direct Plan 5,299,050.66 Units (31 March 2024: 4,989,380.42 Units)	352.88	306.14
Kotak Corporate Bond Fund - Growth - Direct Plan 106,266.49 Units (31 March 2024: 86,518.92 Units)	408.91	305.86
Kotak Money Market Fund - Growth - Direct Plan 40,461.73 Units (31 March 2024: 40,461.73 Units)	179.87	166.80
Kotak Equity Arbitrage Fund - Growth - Direct Plan 1,089,697.49 Units (31 March 2024: Nil Units)	42.88	-
Kotak Dynamic Bond Fund - Growth - Direct 6,677,570.61 Units (31 March 2024: Nil Units)	268.07	-
Nippon India - Arbitrage Fund - Growth - Direct Plan 3,817,291.94 Units (31 March 2024: Nil Units)	107.63	-
Invesco India - Arbitrage Fund - Growth - Direct Plan 1,498,997.32 Units (31 March 2024: Nil Units)	50.83	-
Axis Liquid Fund - Growth - Direct Plan 22,668.58 Units (31 March 2024: 48,676.37 Units)	65.37	130.63
HSBC Liquid Fund - Growth - Direct Plan 31,032.77 Units (31 March 2024: Nil Units)	80.20	-
	5,495.01	2,996.16
Aggregate amount of quoted investments and market value thereof	5,495.01	2,996.16

The company's exposure to credit risk and market risk related to investments has been disclosed in note 2.39

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.8 TRADE RECEIVABLES AND CONTRACT ASSETS

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables - unsecured, considered good		
- to related parties (refer note 2.31 (c))	37.11	33.90
- to other than related parties	770.16	736.66
Contract assets (Unbilled revenue) - unsecured, considered good (refer note 2.42)	66.68	84.62
Total	873.95	855.18
Less: Allowance for expected credit loss	(89.33)	(139.59)
Net total trade receivables	784.62	715.59

Trade receivables are unsecured and are derived from revenue earned from providing medical, healthcare and other ancillary services. No interest is charged on the outstanding balance, regardless of the age of the balance. The Company applies Expected Credit Loss (ECL) model under simplified approach for measurement and recognition of impairment loss towards expected risk of delays and default in collection.

The Company has used a practical expedient by computing the expected credit loss allowance based on a provision matrix. Management makes specific provision in cases where there are known specific risks of customer default in making the repayments. The provision matrix takes into account historical credit loss experience and adjusted for forward- looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the provision matrix.

The Company is subject to concentration of credit risk in its trade receivables for one customer comprising of 39% (31 March 2024: 42%) of total trade receivables. Although the Company is directly affected by the financial condition of its customer, management does not believe significant credit risks exist at the balance sheet date. The Company does not require collateral or other securities to support its accounts receivable.

(a) The Company's exposure to credit risk and loss allowances related to trade receivables are disclosed in note 2.39.

(b) Trade receivables are non-interest bearing and are generally on terms of 30-45 days

Trade receivables and Contract assets ageing schedule:

As at 31 March 2025

Particulars	Contract assets (Unbilled revenue)	Current but not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Contract assets (Unbilled Revenue), Undisputed - considered good	66.68	-	-	-	-	-	-	66.68
(ii) Undisputed Trade receivables – considered good	-	449.11	223.01	52.34	35.06	42.10	5.65	807.27
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iv) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.8 TRADE RECEIVABLES AND CONTRACT ASSETS (continued)

Particulars	Contract assets (Unbilled revenue)	Current but not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	66.68	449.11	223.01	52.34	35.06	42.10	5.65	873.95
Less: Allowance for expected credit loss								(89.33)
Net total trade receivables								784.62

As at 31 March 2024

Particulars	Contract assets (Unbilled revenue)	Current but not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Contract assets (Unbilled Revenue), Undisputed – considered good	84.62	-	-	-	-	-	-	84.62
(ii) Undisputed Trade receivables – considered good	-	424.62	230.62	21.60	64.20	23.28	6.24	770.56
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iv) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	84.62	424.62	230.62	21.60	64.20	23.28	6.24	855.18
Less: Allowance for expected credit loss								(139.59)
Net total trade receivables								715.59

2.9 (a) Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Cash on hand	10.90	7.42
Balance with banks		
- On current accounts	158.00	67.43
	168.90	74.85

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.9 (b) Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Unpaid dividend	0.20	0.07
	0.20	0.07

(a) The Company's exposure to credit risk and market risk are disclosed in note 2.39.

(b) Details of bank balances / deposits

Particulars	As at 31 March 2025	As at 31 March 2024
Bank balances available on demand/deposits with original maturity of 3 months or less included under Cash and cash equivalents	-	-
Bank deposits with original maturity more than 3 months but less than 12 months included under 'Bank balances other than cash and cash equivalents'	-	-
Bank deposits with original maturity more than 12 months and remaining maturity less than 12 months included under Other financial assets (current) (refer note : 2.3(b))	957.95	1,698.44
Bank deposits with original maturity more than 12 months and remaining maturity more than 12 months included under Other financial assets (non-current) (refer note : 2.3(a))	20.26	25.11

2.10 (a) Loans (non-current)

(Unsecured, considered good)

Particulars	As at 31 March 2025	As at 31 March 2024
Loans receivable ^	205.08	205.48
	205.08	205.48
Interest accrued on - Loans receivable ^	94.46	127.03
Total loan carried at amortised cost	299.54	332.51

2.10 (b) Loans (current)

(Unsecured, considered good)

Particulars	As at 31 March 2025	As at 31 March 2024
Loans receivable ^	0.40	-
	0.40	-
Interest accrued on - Loans receivable ^	30.05	-
Total loan carried at amortised cost	30.45	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.10 (b) Loans (continued)

Disclosure under Section 186(4) of the Companies Act, 2013

Loans:

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	205.48	337.98
Given during the year	-	2.00
Written off during the year	-	-
Repaid during the year	-	(134.50)
Closing balance	205.48	205.48

Details of unsecured outstanding loans as at 31 March 2025:

Name of the borrower	Nature of relationship	Purpose of deposits given	Rate of interest	As at 1 April 2024	Given during the year	Written off during the year	Repaid during the year	As at 31 March 2025
Madhukar Rainbow Children's Hospital (refer note below)	Others	Working capital	8.50%	203.48	-	-	-	203.48
Rosewalk Healthcare Private Limited	Related party	Working capital	9.50%	2.00	-	-	-	2.00
				205.48	-	-	-	205.48

Note: During the year, there has been a change in the terms of repayment of loan (principal) for one of the borrower by providing a moratorium period of 2 years from 01 April 2024 to 01 April 2026 and reduced the rate of interest from 9.50% p.a. to 8.50% p.a.

Details of unsecured outstanding loans as at 31 March 2024:

Name of the borrower	Nature of relationship	Purpose of deposits given	Rate of interest	As at 1 April 2023	Given during the year	Written off during the year	Repaid during the year	As at 31 March 2024
Madhukar Rainbow Children's Hospital	Others	Working capital	9.50%	337.98	-	-	(134.50)	203.48
Rosewalk Healthcare Private Limited	Related party	Working capital	9.50%	-	2.00	-	-	2.00
				337.98	2.00	-	(134.50)	205.48

^ Refer note 2.31 (c) for related party balances.

2.11 OTHER CURRENT ASSETS

Particulars	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)		
Advances to suppliers	107.85	92.78
Prepaid expenses	48.26	39.47
Advance to employees *	10.35	5.35
	166.46	137.60
(Unsecured, considered doubtful)		
Advances to suppliers (credit impaired)	-	3.31
Less: Allowance for doubtful advances	-	(3.31)
	-	-
	166.46	137.60

* Refer note 2.31(c) for advance to Key managerial personnel

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.12 EQUITY SHARE CAPITAL

Particulars	As at 31 March 2025	As at 31 March 2024
Authorised		
150,000,000 (31 March 2024: 150,000,000) equity shares of ₹ 10 each	1,500.00	1,500.00
	1,500.00	1,500.00
Issued, subscribed and paid-up		
101,551,673 (31 March 2024: 101,501,687) equity shares of ₹ 10 each, fully paid-up	1,015.52	1,015.02
	1,015.52	1,015.02

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year :

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹ 10 each, Issued, subscribed and fully paid-up				
At the commencement of the year	101,501,687	1,015.02	101,501,687	1,015.02
Add: Shares issued during the year	49,986	0.50	-	-
At the end of the year	101,551,673	1,015.52	101,501,687	1,015.02

b) Terms/Rights attached to Equity shares :

The Company has a single class of equity shares of face value ₹ 10 each, fully paid up. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

On liquidation of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c) Particulars of shareholders holding more than 5% shares in the company:

Name of shareholder	As at 31 March 2025		As at 31 March 2024	
	Number of shares	%	Number of shares	%
Equity shares of ₹ 10 each, fully paid-up held by:				
- Dr. Ramesh Kancharla	31,517,431	31.04%	31,494,654	31.03%
- Dr. Dinesh Kumar Chirla	6,633,310	6.53%	6,633,310	6.54%
- Dr. Adarsh Kancharla	6,110,432	6.02%	6,110,432	6.02%
- Kancharla Family Trust	5,205,700	5.13%	5,179,200	5.10%

As per records of the Company, including its register of shareholder/members and other declarations received from shareholder regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.12 EQUITY SHARE CAPITAL (continued)

- d) During the five years immediately preceding the reporting date, no shares have been bought back, issued for consideration other than cash other than disclosed below.

During the year ended 31 March 2022, 48,167,004 equity shares of ₹ 10 each, fully paid up have been allotted as bonus shares by capitalisation of securities premium.

e) Shareholding of promoters

As at 31 March 2025

Promoter Name	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares	% change during the year
Equity shares:					
Dr Ramesh Kancharla	31,494,654	22,777	31,517,431	31.04%	0.01%
Dr Dinesh Kumar Chirla	6,633,310	-	6,633,310	6.53%	-
Dr Adarsh Kancharla	6,110,432	-	6,110,432	6.02%	-
Kancharla Family Trust	5,179,200	26,500	5,205,700	5.13%	0.03%
Total	49,417,596	49,277	49,466,873	48.72%	0.04%

As at 31 March 2024

Promoter Name	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares	% change during the year
Equity shares:					
Dr Ramesh Kancharla	31,494,654	-	31,494,654	31.03%	-
Dr Dinesh Kumar Chirla	6,633,310	-	6,633,310	6.54%	-
Dr Adarsh Kancharla	6,110,432	-	6,110,432	6.02%	-
Kancharla Family Trust	5,179,200	-	5,179,200	5.10%	-
Total	49,417,596	-	49,417,596	48.69%	-

2.13 OTHER EQUITY

Particulars	Securities premium	General reserve	Share Options outstanding account	Retained earning	Total other equity
Balance as at 01 April 2023	3,972.28	44.43	-	5,852.15	9,868.86
Profit for the year	-	-	-	2,148.91	2,148.91
Refund of share issue expenses *	14.70	-	-	-	14.70
Employee share based payment expenses (refer note 2.45)	-	-	96.58	-	96.58
Appropriations:					
Final dividend on equity shares for the year ended 31 March 2023. i.e. ₹ 3 per share	-	-	-	(304.44)	(304.44)
Remeasurement of defined benefit liability (net of tax effect)	-	-	-	12.88	12.88
Balance as at 31 March 2024	3,986.98	44.43	96.58	7,709.50	11,837.49

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.13 OTHER EQUITY (continued)

Particulars	Securities premium	General reserve	Share Options outstanding account	Retained earning	Total other equity
Balance as at 01 April 2024	3,986.98	44.43	96.58	7,709.50	11,837.49
Profit for the year	-	-	-	2,375.85	2,375.85
Employee share based payment expenses (refer note 2.45)	43.11	-	(79.73)	-	(36.62)
Appropriations:					
Final dividend on equity shares for the year ended 31 March 2024. i.e. ₹ 3 per share	-	-	-	(304.64)	(304.64)
Remeasurement of defined benefit liability (net of tax effect)	-	-	-	(2.16)	(2.16)
Balance as at 31 March 2025	4,030.09	44.43	16.85	9,778.55	13,869.92

* During the Previous year, the Company has received an amount of ₹ 14.70 million towards the Company's share of unspent share issue expenses. The same has been adjusted with securities premium as per Companies Act, 2013.

Nature and purpose

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

General reserve

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Other comprehensive income

Remeasurements of defined benefit plans comprises of actuarial gains and losses.

Retained earning

The amount that can be distributed by the Company as dividends to its equity and preference shareholders.

Share options outstanding account

The share options outstanding account is used to recognise the value of equity settled share based payments provided to employees under Employee Stock Unit Plan 2023 (refer note 2.45).

2.13 (a) DIVIDEND

Distribution made and proposed

Particulars	31 March 2025	31 March 2024
Dividends on equity shares declared and paid:		
Final dividend for the year ended 31 March 2024: ₹ 3 per share (31 March 2023: ₹ 3 per share)	304.64	304.51
	304.64	304.51
Proposed dividend on Equity shares:		
Proposed dividend for the year ended 31 March 2025 : ₹ 3 per share (31 March 2024: ₹ 3 per share)	304.66	304.51
	304.66	304.51

The Board of Directors of the Company, at its meeting held on 24 May 2025, have proposed a final dividend of ₹ 3 per Equity Share having face value of ₹10 each aggregating to ₹ 304.66 million for the financial year ended 31 March 2025. The proposal is subject to the approval of the shareholders at the forthcoming Annual General Meeting. Final dividend is accounted in the year in which it is approved by the shareholders.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.14 PROVISIONS (NON-CURRENT)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
- Gratuity (refer note 2.30(a))	74.04	55.93
- Compensated absences	20.21	17.01
	94.25	72.94

2.15 TRADE PAYABLES

Particulars	As at 31 March 2025	As at 31 March 2024
Trade payables		
- total outstanding dues to micro enterprises and small enterprises (MSME) (refer note 2.36)	91.16	86.09
- total outstanding dues to creditors other than micro enterprises and small enterprises	767.62	677.31
	858.78	763.40

The Company's exposure to liquidity and currency risk and loss allowances related to trade payables are disclosed in note 2.39.

Trade payables are non-interest bearing and are normally settled on 30 to 45 days terms.

Refer note 2.31(c) for related party balances.

Trade payables ageing schedule

As at 31 March 2025

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than - 1 year	1-2 years	2-3 years	More than 3 years	
i) Total outstanding dues of micro enterprises and small enterprises (refer note 2.36)	-	89.07	1.53	0.09	0.47	91.16
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	223.82	534.36	4.26	3.44	1.74	767.62
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	223.82	623.43	5.79	3.53	2.21	858.78

As at 31 March 2024

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than - 1 year	1-2 years	2-3 years	More than 3 years	
i) Total outstanding dues of micro enterprises and small enterprises (refer note 2.36)	-	84.46	1.42	0.19	0.02	86.09
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	163.31	503.02	6.57	3.49	0.92	677.31
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	163.31	587.48	7.99	3.68	0.94	763.40

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.16 OTHER FINANCIAL LIABILITIES (CURRENT) (AT AMORTISED COST)

Particulars	As at 31 March 2025	As at 31 March 2024
Employee benefit payables ^	81.26	91.39
Creditor for capital goods	85.05	211.57
Other payables	3.22	21.53
Unpaid dividend	0.13	-
	169.66	324.49

^ Refer note 2.31(c) for related party balances.

The Company's exposure to liquidity risk related to other financial liabilities are disclosed in note 2.39.

2.17 PROVISIONS (CURRENT)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Gratuity (refer note 2.30 (a))	35.25	17.02
Compensated absences	28.07	10.70
	63.32	27.72
Provision for claims, other than taxes arise in future*	1.94	1.94
	65.26	29.66
*Movement in provision for claims, other than taxes arise in future:		
Opening balance	1.94	1.94
Add: Addition during the year	-	-
Less: Utilisation/ reversal during the year	-	-
Closing balance	1.94	1.94

2.18 CURRENT TAX LIABILITY (NET)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for taxation (net of advance tax)	-	0.01
	-	0.01

2.19 OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2025	As at 31 March 2024
Contract liabilities (advance from patients) (refer note. 2.42)	38.23	33.72
Statutory liabilities	87.03	80.63
	125.26	114.35

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.20 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Income from medical and healthcare services		
- Revenue from hospital services (refer note 2.42)	12,554.04	10,710.49
- Revenue from pharmacy sales (refer note 2.42)	1,585.83	1,299.05
- Revenue from medical service fee (refer note 2.42)	264.93	253.05
	14,404.80	12,262.59
Other operating income		
- Cord blood extraction	29.11	28.60
- Canteen income	33.34	32.79
- Sale of baby products	37.50	1.86
- Others	40.32	39.78
	140.27	103.03
Total revenue from operations	14,545.07	12,365.62

2.21 OTHER INCOME

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income on financial assets carried at amortised cost		
- Bank deposits	102.06	151.75
- Loans	17.49	27.48
- Income Tax refund	3.49	-
- Other financial assets carried at amortised cost	16.97	13.28
Dividend income from subsidiary	-	14.19
Gain on redemption of mutual funds, net	78.13	73.55
Net gain on financial assets measured at fair value through profit or loss	269.80	58.85
Reversal of expected credit loss, net	-	28.42
Liabilities no longer required written back	0.75	0.69
Gain on sale of property, plant and equipment, net	0.80	1.27
	489.49	369.48

2.22 COST OF MATERIALS CONSUMED

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventory at the beginning of the year	225.86	176.74
Add: Purchases during the year	1,900.25	1,620.39
Less: Closing inventory	(227.42)	(225.86)
	1,898.69	1,571.27

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.23 EMPLOYEE BENEFITS EXPENSE *

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	1,808.69	1,480.46
Contribution to provident and other funds (refer note 2.30(a))	84.17	63.35
Gratuity expense (refer note 2.30(C)(i))	44.70	28.88
Employee share based payment expenses (refer note 2.45) #	(12.71)	54.30
Staff welfare expenses	51.23	60.10
	1,976.08	1,687.09

* Net of amount capitalised (refer note 2.38)

During the year, the Company has reversed Employee share based payment expense towards unvested options of ₹ 52.05 million accounted in previous year pursuant to resignation of Chief Operating Officer.

2.24 FINANCE COSTS *

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest expense on lease liabilities (refer note 2.32)	695.94	560.66
	695.94	560.66

* Net of amount capitalised (refer note 2.38)

2.25 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation on property, plant and equipment (refer note 2.1(a))	819.03	656.74
Amortisation of intangible assets (refer note 2.1(b))	23.84	12.98
Depreciation of right-of-use assets (refer note 2.32) *	474.61	381.79
	1,317.48	1,051.51

* Net of amount capitalised (refer note 2.38)

2.26 (i) PROFESSIONAL FEES TO DOCTORS *

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Professional fees to doctors *	3,484.90	2,877.30
	3,484.90	2,877.30

* Net of amount capitalised (refer note 2.38)

2.26 (ii) OTHER EXPENSES *

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Hospital maintenance	69.30	62.83
Canteen expenses	257.68	223.07
Contract wages	378.77	308.24
Housekeeping expenses	78.65	72.86
Power and fuel	260.76	248.09
Lab and investigations	171.09	164.11
Repairs and maintenance		
- Plant and equipment	97.57	74.21
- Others	210.11	155.09

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.26 (II) OTHER EXPENSE (continued)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Rent (refer note 2.32)	24.70	15.62
Rates and taxes	159.58	133.39
Business promotion and advertisement	292.83	272.85
Travelling and conveyance	50.12	56.31
Printing and stationary	84.51	80.49
Bad debts written off	1.70	0.15
Allowance for expected credit loss	7.31	-
Advances written off	-	3.46
Communication expenses	118.78	64.63
Insurance	15.88	15.73
Professional and consultancy	44.11	56.98
Audit fees (refer note 2.34)	9.97	6.33
Directors sitting fees	4.48	5.43
Corporate social responsibility (refer note 2.37)	50.12	35.23
Bank charges	40.82	32.64
Foreign exchange loss, net	0.12	0.21
Miscellaneous expenses	11.68	7.16
	2,440.64	2,095.10

* Net of amount capitalised (refer note 2.38)

2.27 TAX EXPENSE, NET

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Amounts recognised in the Statement of Profit and Loss		
Current tax	856.68	745.43
Deferred tax	(31.54)	(2.17)
	825.14	743.26
Amounts recognised in other comprehensive income		
Deferred tax	0.72	(4.33)
	0.72	(4.33)
	824.42	747.59
Amounts recognised in the Statement of Profit and Loss		
Adjustment of tax related to earlier periods	19.84	-
	844.26	747.59

a. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	3,220.83	2,892.17
Enacted tax rate	25.17%	25.17%
Tax expense at enacted rates	810.62	727.90
80JJAA deduction	(7.88)	(8.81)
Expenses not deductible for tax	14.96	12.06
Others	6.72	16.44
	824.42	747.59

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.27 TAX EXPENSE, NET (continued)

b. The following table provides the details of non-current tax assets and current tax liabilities:

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current tax assets (net)	99.86	136.00
Current tax liabilities (net)	-	(0.01)
Net non-current tax assets at the end of the year	99.86	135.99

c. The gross movement in the net non-current tax assets is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Net non-current tax assets at the beginning of the year	135.99	20.68
Income tax paid	840.39	860.74
Income tax expense for the year	(856.68)	(745.43)
Income tax pertaining to earlier periods	(19.84)	-
Net non-current tax assets at the end of the year	99.86	135.99

d. Recognition of deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liability		
Property, plant and equipment	240.13	254.76
Fair value gain on mutual funds	83.09	14.81
Total deferred tax liability	323.22	269.57
Deferred tax asset		
Loss allowance on receivables	37.11	35.13
Provision for employee benefits	39.66	30.92
Provision for bonus	5.71	11.19
Lease liabilities (net of right-of-use of assets)	526.68	446.01
Total deferred tax asset	609.16	523.25
Net deferred tax assets	285.94	253.68

(ii) Movement in temporary differences

Particulars	Balance as at 01 April 2024	Recognised in standalone statement of profit or loss during the year	Recognised in OCI during the year	Balance as at 31 March 2025
Loss allowance on receivables	35.13	1.98	-	37.11
Provision for employee benefits	30.92	8.02	0.72	39.66
Provision for bonus	11.19	(5.48)	-	5.71
Lease liabilities (net of right-of-use of assets)	446.01	80.67	-	526.68
Property, plant and equipment	(254.76)	14.63	-	(240.13)
Fair value gain on mutual funds	(14.81)	(68.28)	-	(83.09)
	253.68	31.54	0.72	285.94

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.27 TAX EXPENSE, NET (continued)

Particulars	Balance as at 01 April 2023	Recognised in standalone statement of profit or loss during the year	Recognised in OCI during the year	Balance as at 31 March 2024
Loss allowance on receivables	59.72	(24.59)	-	35.13
Provision for employee benefits	22.42	12.83	(4.33)	30.92
Provision for bonus	32.88	(21.69)	-	11.19
Lease liabilities (net of right-of-use of assets)	399.66	46.35	-	446.01
Property, plant and equipment	(257.47)	2.71	-	(254.76)
Fair value gain on mutual funds	(1.37)	(13.44)	-	(14.81)
	255.84	2.17	(4.33)	253.68

2.28 CONTINGENT LIABILITIES

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Demands under dispute		
- Income-tax matters	-	4.14
- Goods and services tax	100.56	79.06
- Luxury tax demand under dispute	18.55	18.55
(ii) Claims against the Company not acknowledged as debt (Medico-legal) *	145.82	112.04
	264.93	213.79

* The Company is involved in the disputes, law suites, claims from patients/patient relatives that arise from time to time in ordinary course of business. Based on external legal advise, management believes none of the matters, either in individual or in aggregate will have any material effect on its standalone financial statements, as the management believes it has a reasonable case in its defence of proceedings and hence, no provision is recognised in the standalone financial statements.

The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business including litigation before tax authorities and including matters mentioned above. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the claimants or the Company, as the case may be, and therefore cannot be predicted accurately. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes. The Management believes that it has a reasonable case in its defence of the proceedings and accordingly no further provision is required.

2.29 CAPITAL COMMITMENTS

Particulars	As at 31 March 2025	As at 31 March 2024
- Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	558.90	315.69

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.30 EMPLOYEE BENEFIT PLANS

The employee benefit schemes are as under:

(a) Defined contribution benefit plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident fund and Employee state insurance (ESI), which is a defined contribution plan. The contribution is charged to the Statement of standalone profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident fund and ESI for the year ended 31 March 2025 amounts to ₹ 79.21 million and ₹ 4.96 million respectively (31 March 2024: ₹ 55.28 million and ₹ 8.07 million respectively) (refer note 2.23).

(b) Defined benefit plans

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days' salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit, restricted to a sum of ₹ 2.00 million. The Company contributes all ascertained liabilities towards gratuity to the Fund. The plan assets have been primarily invested in insurer managed funds. The Company's obligation in respect of gratuity plan, which is a defined benefit plan is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method.

The following table sets out the status of the funded gratuity plan as required under Ind AS 19 "Employee Benefits":

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's standalone financial statements as at the balance sheet date :

Particulars	As at 31 March 2025	As at 31 March 2024
Defined benefit obligation	114.58	77.95
Fair value of plan assets	(5.29)	(5.00)
Net defined benefit obligation	109.29	72.95
Provisions (current) (Refer note 2.17)	35.25	17.02
Provisions (non-current) (Refer note 2.14)	74.04	55.93

B. Reconciliation of net defined benefit obligation:

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit obligation, plan assets and its components:

i. Reconciliation of present value of defined benefit obligation:

Particulars	As at 31 March 2025	As at 31 March 2024
Defined benefit obligation as at beginning of the year	77.95	71.45
Current service cost	15.88	23.65
Past service cost	24.32	-
Interest cost	4.79	5.23
Actuarial gains recognised in other comprehensive income	2.88	(17.21)
Benefits paid	(11.24)	(5.17)
Defined benefit obligation at the end of the year	114.58	77.95

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.30 EMPLOYEE BENEFIT PLANS (continued)

ii. Reconciliation of fair value of plan assets

Particulars	As at 31 March 2025	As at 31 March 2024
Plan assets as at the beginning of the year	5.00	-
Contributions paid in to the plan	11.24	10.18
Return on plan assets less interest on plan assets	0.29	(0.00)
Benefits paid	(11.24)	(5.18)
Plan assets as at the end of the year	5.29	5.00

C. (i) Gratuity expense recognised in the statement of profit and loss:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	15.88	23.65
Past service cost	24.32	-
Interest on defined benefit liability / (asset)	4.50	5.23
Gratuity expenses, included in employee benefit expenses	44.70	28.88

C. (ii) Re-measurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial loss/(gain) on defined benefit obligation		
- Actuarial loss arising from change in financial assumptions	0.77	0.95
- Actuarial (gain) arising from change in demographic assumptions	(1.66)	(17.59)
- Actuarial loss/(gain) arising on account of experience changes	3.52	(0.57)
- Actual return on plan assets less interest on plan assets	0.25	0.00
Actuarial gain recognised in other comprehensive income	2.88	(17.21)

D. Plan assets

Plan assets comprises of the following :

Particulars	As at 31 March 2025	As at 31 March 2024
Fund managed by insurer	5.29	5.00

E. Defined benefit obligation

Actuarial assumptions at balance sheet date:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Discount rate	6.90% p.a	7.15% p.a
Salary escalation rate	8% p.a	8% p.a
Attrition rate		
Nursing staff	46.11% p.a	-
Paramedical staff	27.92% p.a	-
Patient care services staff	44.80% p.a	-
Administration staff	36.12% p.a	-
Support staff	33.65% p.a	-
Age 21 to 30	-	49% p.a
Age 31 to 40	-	34% p.a
Age 41 to 50	-	24% p.a
51 and above	-	18% p.a
Retirement Age	58 years	58 years

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.30 EMPLOYEE BENEFIT PLANS (continued)

E. Defined benefit obligation (continued)

Maturity profile of defined benefit obligation

Particulars	As at 31 March 2025	As at 31 March 2024
1 st following year	40.29	22.02
Year 2 to 5	77.48	49.73
Year 6 to 9	17.98	21.17
For 10 years and above	4.75	11.18

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Sensitivity analysis: Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant would have affected the defined benefit obligation by the amounts shown below:

	As at 31 March 2025		As at 31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (50 bps movement)	112.80	115.90	76.60	79.36
Salary escalation rate (50 bps movement)	115.90	112.87	79.28	76.66

Expected contributions to the plan for the next annual reporting year

Expected contribution to post-employment benefit plans for the financial year ending 31 March 2026 is ₹ 40.29 millions.

The weighted average duration of the defined benefit obligation is 2.71 years (31 March 2024: 3.54 years)

2.31 RELATED PARTIES

a) Names of the related parties and description of relationship:

Entities in which control exists (Subsidiaries)	Rainbow Children's Hospital Private Limited
	Rainbow Women & Children's Hospital Private Limited
	Rainbow Speciality Hospitals Private Limited
	Rosewalk Healthcare Private Limited
	Rainbow Fertility Private Limited
	Rainbow C R O Private Limited
Entities in which control exists (others)	Rainbow Children's Hospital Foundation (w.e.f. 12 September 2023)
Key managerial personnel (KMP)	Dr. Ramesh Kancharla, Chairman and Managing Director
	Dr. Dinesh Kumar Chirla, Whole-Time Director
	Mr. Anil Dhawan, Independent Director
	Mr. Santanu Mukherjee, Independent Director
	Ms. Sundari Raviprasad Pisupati, Independent Director
	Mr. Aluri Srinivasa Rao, Independent Director
	Mr. Ashish Kapil, Company Secretary (resigned w.e.f. 14 December 2024)
	Mrs. Shreya Mitra, Company Secretary (appointed w.e.f. 09 February 2025)
	Mr. R. Gowrisankar, Chief Financial Officer (resigned w.e.f. 31 May 2023)
	Mr. Vikas Maheshwari, Chief Financial Officer (appointed w.e.f. 01 June 2023)
	Mr. Sanjeev Sukumaran, Chief Operating Officer (resigned w.e.f. 30 October 2024)
	Dr. Adarsh Kancharla, Non-Executive Director (appointed w.e.f. 24 January 2024)

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.31 RELATED PARTIES (continued)

Relative of key managerial personnel	Mrs. Padma Kancharla, wife of Dr. Ramesh Kancharla
	Mr. Ramadhara Naidu Kancharla, brother of Dr. Ramesh Kancharla
Enterprises where key managerial personnel along with their relatives exercise significant influence	Ravindranath GE Medical Associates Private Limited
	Rainbow Children's Foundation
Enterprises where relative of key managerial personnel is a member	Unimed Healthcare Private Limited

(b) Following is the summary of significant related party transactions during the year:

	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from medical/ professional services rendered		
- Rainbow Children's Foundation	7.44	7.34
- Rainbow C R O Private Limited	0.07	-
Revenue from pharmacy sales		
- Rainbow Speciality Hospitals Private Limited	7.47	7.90
- Rosewalk Healthcare Private Limited	11.37	9.41
Revenue from sale of baby products		
- Rosewalk Healthcare Private Limited	25.30	-
Other expense		
- Rainbow Speciality Hospitals Private Limited	-	0.21
Professional services received		
- Ravindranath GE Medical Associates Private Limited	1.56	7.28
- Unimed Healthcare Private Limited	40.77	13.52
Professional services provided		
- Unimed Healthcare Private Limited	1.31	-
Medical service fee paid		
- Rainbow Speciality Hospitals Private Limited	3.07	3.15
- Ravindranath GE Medical Associates Private Limited	0.00	0.25
Medical consumables and pharmacy items		
- Rainbow Speciality Hospitals Private Limited	0.72	0.30
- Rosewalk Healthcare Private Limited	38.57	4.41
Dividend Received		
- Rainbow Speciality Hospitals Private Limited	-	14.19
Reimbursement of expenditure		
- Rainbow Speciality Hospitals Private Limited	0.50	-
- Unimed Healthcare Private Limited	18.14	-
Rental expenditure		
- Unimed Healthcare Private Limited	50.80	48.46
- Rainbow Speciality Hospitals Private Limited	1.75	-
CSR expenditure		
- Rainbow Children's Hospital Foundation	5.86	10.00
Rental income		
- Rosewalk Healthcare Private Limited	1.24	0.10

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.31(B) RELATED PARTIES (continued)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income on inter-corporate deposit		
- Rosewalk Healthcare Private Limited	0.19	0.07
Inter-corporate deposits placed		
- Rosewalk Healthcare Private Limited	-	2.00
Travel advance to KMP		
- Dr. Ramesh Kancharla	2.32	0.33
Professional charges to KMP		
- Dr. Dinesh Kumar Chirla	28.25	34.04
- Dr. Adarsh Kancharla	-	0.96
Remuneration to KMP*		
- Dr. Ramesh Kancharla	45.00	65.00
- Mr. R.Gowrisankar	-	1.72
- Mr. Vikas Maheshwari (including perquisites)	25.57	12.36
- Mr. Sanjeev Sukumaran (including perquisites)	69.15	23.19
- Mr. Ashish Kapil	3.10	2.77
- Mrs. Shreya Mitra	0.68	-
Project management consultancy fee to relative of KMP		
- Mr. Ramadhara Naidu Kancharla	6.04	6.05
Commission to Independent Directors		
- Mr. Aluri Srinivasa Rao	1.00	1.00
- Mr. Anil Dhawan	1.00	1.00
- Mrs. Sundari Raviprasad Pisupati	1.00	1.00
- Mr. Santanu Mukherjee	1.00	1.00
Sitting fees paid to Directors		
- Mr. Anil Dhawan	0.90	1.15
- Mr. Aluri Srinivasa Rao	0.70	0.80
- Mrs. Sundari Raviprasad Pisupati	0.75	1.15
- Mr. Santanu Mukherjee	1.05	1.40
- Dr. Adarsh Kancharla	0.40	0.10
Leave travel allowance paid to KMP		
- Dr. Ramesh Kancharla	0.80	3.05
- Dr. Dinesh Kumar Chirla	-	1.20
Expenditure incurred on behalf of KMP		
- Dr. Dinesh Kumar Chirla	-	0.07
Dividend paid during the year to KMP and relative of KMP		
- Dr. Ramesh Kancharla	94.48	94.48
- Dr. Dinesh Kumar Chirla	19.90	19.90
- Dr. Adarsh Kancharla	18.33	18.33
- Mr. Ramadhara Naidu Kancharla	0.18	0.18
- Mr. R.Gowrisankar	-	0.01
- Mr. Ashish Kapil	0.00	0.00

*The KMP are covered by the Company's gratuity policy and are eligible for compensated absences along with other employees of the Company. The proportionate amount of gratuity and compensated absences cost pertaining to the KMP has not been included in the aforementioned disclosures as these are not determined on an individual basis.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.31 RELATED PARTIES (continued)

c) The Company has the following amounts due from/ to the related parties

	As at 31 March 2025	As at 31 March 2024
Trade payables		
- Ravindranath GE Medical Associates Private Limited	-	1.29
- Rosewalk Healthcare Private Limited	1.73	0.01
- Unimed Healthcare Private Limited	2.21	-
Trade receivables		
- Rosewalk Healthcare Private Limited	34.35	32.70
- Rainbow C R O Private Limited	0.04	-
- Rainbow Children's Foundation	2.00	1.19
- Unimed Healthcare Private Limited	0.72	-
Travel advance to KMP		
- Dr. Ramesh Kancharla	2.65	0.33
Project management consultancy fee payable to relative of KMP		
- Mr. Ramadhara Naidu Kancharla	0.50	0.50
Commission payable to Independent Directors		
- Mr. Aluri Srinivasa Rao	1.00	1.00
- Mr. Anil Dhawan	1.00	1.00
- Mrs. Sundari Raviprasad Pisupati	1.00	1.00
- Mr. Santanu Mukherjee	1.00	1.00
Professional fee payable to KMP		
- Dr. Dinesh Kumar Chirla	2.81	2.80
Non-current investments in equity shares (gross)		
- Rainbow Women & Children's Hospital Private Limited	0.10	0.10
- Rainbow Speciality Hospitals Private Limited	142.51	142.51
- Rainbow Children's Hospital Private Limited	0.10	0.10
- Rosewalk Healthcare Private Limited	324.11	324.11
- Rainbow Fertility Private Limited	45.00	45.00
- Rainbow C R O Private Limited	0.10	0.10
Inter corporate deposits		
- Rosewalk Healthcare Private Limited	2.00	2.00
Interest accrued on inter corporate deposits		
- Rosewalk Healthcare Private Limited	0.26	0.07
Rent Payable		
- Unimed Healthcare Private Limited	4.90	4.37
Rent Receivable		
- Rosewalk Healthcare Private Limited	0.19	-
Rental Security Deposit paid		
- Unimed Healthcare Private Limited	30.00	30.00
Rental Security Deposit received		
- Rosewalk Healthcare Private Limited	0.07	0.07

d) Refer note 2.2 for details of investment made in subsidiaries.

e) All transactions with these related parties are at arm's length basis and resulting outstanding receivables and payables including financial assets and financial liabilities balances are settled in cash. None of the balances are secured. (All the amounts of transactions and balances disclosed in this note are gross (net of GST) and undiscounted.)

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(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.32 LEASES

A The Company as a lessee entered into various lease agreements majorly for buildings and used the following practical expedients on first time adoption of Ind AS 116:

(a) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term.

(b) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Right-of-use of assets

Particulars	Category of ROU Assets
	Buildings
Cost as at 01 April 2023	5,289.79
Additions	2,049.20
Disposals	(4.86)
Modification	40.80
Cost as at 31 March 2024 (A)	7,374.93
Cost as at 01 April 2024	7,374.93
Additions	146.96
Disposals	(5.80)
Modification	(0.28)
Cost as at 31 March 2025 (B)	7,515.81
Accumulated depreciation	
Accumulated depreciation as at 01 April 2023	1,058.62
Depreciation charge for the year	381.79
Disposals	-
Depreciation capitalised (refer note 2.38)	19.08
Accumulated depreciation as at 31 March 2024 (C)	1,459.49
Accumulated depreciation as at 01 April 2024	1,459.49
Depreciation charge for the year	474.61
Disposals	-
Depreciation capitalised (refer note 2.38)	2.17
Accumulated depreciation as at 31 March 2025 (D)	1,936.27
Net carrying amounts	
As at 31 March 2025 (B-D)	5,579.54
As at 31 March 2024 (A-C)	5,915.44

B The following are the amounts recognised in the Statement of Profit and Loss :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation expense on right-of-use of assets	474.61	381.79
Finance cost on lease liabilities	695.94	560.66
Expense relating to short term leases (included in other expenses)	24.70	15.62
Total	1,195.26	958.07

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.32 LEASES (continued)

C Following is the movement in lease liabilities :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening Balance	7,347.00	5,382.90
Additions	131.76	2,016.73
Finance cost charge for the year	695.94	560.66
Finance cost capitalised (refer note 2.38)	0.90	31.46
Disposals	(6.21)	(5.31)
Payment of lease liabilities	(825.34)	(680.24)
Modification	(0.50)	40.80
Lease liability at the end of the year	7,343.55	7,347.00
Non-current lease liabilities	7,147.05	7,193.80
Current lease liabilities	196.50	153.20

D The following is the cash outflow on leases during the year:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Payment of lease liabilities	825.34	680.24
Short-term lease expense	1,195.26	958.07
Total cash outflow on leases	2,020.60	1,638.31

E The table below provides details regarding the contractual maturities of lease liabilities as at year end on an undiscounted basis:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Less than 1 year	862.05	816.47
1 to 5 years	3,712.90	3,498.33
Over 5 years	9,399.35	10,315.78

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

2.33 SEGMENT REPORTING

The Company is engaged in the business of rendering medical and healthcare services.

Ind AS 108 "Operating Segment" establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. As defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) i.e the Chairman and Managing Director. The CODM evaluates the Company's performance and allocates resources on overall basis. The Company's sole operating segment is therefore 'Medical and Healthcare Services'. Accordingly, there are no additional disclosures to be provided under Ind AS 108 other than those already provided in the standalone financial statements.

Further the business operation of the Company are concentrated in India, and hence, the Company is considered to operate only in one geographical segment. There are no individual customer contributing more than 10% of Company's total revenue.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.34 PROFESSIONAL AND CONSULTANCY EXPENSES INCLUDES AUDITORS REMUNERATION (EXCLUDING GST)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
As an auditor		
- Statutory audit fees	5.30	3.10
- Limited review	2.70	2.40
- Reimbursement of expenses	0.45	0.83
Total	8.45	6.33

2.35 EARNINGS PER EQUITY SHARE :

The earnings per share has been computed as under:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit for the year (A)	2,375.85	2,148.91
Less: Employee share based payment expenses (net of tax)	(9.51)	40.63
Profit attributable to equity shareholders (B)	2,366.34	2,189.54
Shares:		
Number of equity shares at the beginning of the year	101,501,687	101,501,687
Add: Fresh issue	49,986	-
Total number of equity shares outstanding at the end of the year	101,551,673	101,501,687
Weighted average number of equity shares outstanding during the year – Basic	101,536,429	101,501,687
Number of equity shares at the end of year (C)	101,536,429	101,501,687
Effect of potential equity shares on employee stock options outstanding (D)	175,050	254,641
Weighted average number of equity shares outstanding during the year – Diluted (E = C+D)	101,711,479	101,756,328
Earnings per share		
Earnings per share of par value ₹ 10 - Basic (₹) (A/C)	23.40	21.17
Earnings per share of par value ₹ 10 - Diluted (₹) (B/E)	23.27	21.17

Note: During the previous year, employee stock options were not included in the calculation of diluted earnings per share because they are antidilutive for the year.

2.36 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ('MSMED ACT')

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2025 has been made in the Standalone Financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said MSMED Act.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.36 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ('MSMED ACT') (continued)

Particulars	As at 31 March 2025	As at 31 March 2024
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
- Principal amount due to Micro and Small Enterprises	91.16	86.09
- Interest due on above	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company.

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 2.39

2.37 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The proposed areas for CSR activities, as per the CSR policy of the Company are promotion of education, sports, rural development activities, medical facilities, employment and ensuring environmental sustainability which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Details of Corporate social responsibility expenditure		
(i) Gross amount required to be spent by the Company during the year	50.12	35.23
(ii) Amount approved by the Board to be spent during the year	50.12	35.23
(iii) Amount spent during the year (in cash)		
- construction/ acquisition of any asset	-	-
- on purpose other than above	5.86	13.43
(iv) Amount spent during the year (yet to be paid in cash)*		
- construction/ acquisition of any asset	-	-
- on purpose other than above	44.26	21.80
(v) (Shortfall) / Excess at the end of the year	-	-
(vi) Total of previous years shortfall	-	-
(vii) Contribution to a trust controlled by the Company in relation to CSR expenditure	5.86	NA

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.37 CORPORATE SOCIAL RESPONSIBILITY (continued)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	NA	NA
(ix) Reason for shortfall For the year ending 31 March 2025 and 31 March 2024 :	NA	NA
(x) Nature of CSR activities:		
a) Promotion of education and sports	2.00	2.36
b) Rural development activities and training for women	3.76	10.00
c) Promotion of medical facilities	0.10	1.00
d) Administrative overheads	-	0.07
e) Transferred to unspent CSR account (on-going project)*	44.26	21.80

* Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules 2021 ("the Rules"), the Company has transferred the Unspent amount of ₹ 44.26 million (31 March 2024 : ₹ 21.80 million) to a separate bank account subsequent to the balance sheet date under section 135 read with rules of Companies (CSR Policy) Rules, 2014.

2.38 INCIDENTAL EXPENDITURE CAPITALISED DURING THE CONSTRUCTION PERIOD

The Company has capitalised the following expenses to the cost of property, plant and equipment, as they are directly attributable to construction of the asset. Consequently amounts disclosed under the respective notes are net of amounts capitalised by the Company.

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Employee benefit expenses (A)	65.73	152.17
Finance cost (B)	0.90	31.46
Depreciation and amortisation (C)	2.17	19.08
Professional fees to doctors (D)	-	11.75
Other expenses:		
Professional and consultancy	54.27	74.30
Travelling and conveyance	1.39	2.77
Power and fuel	0.26	4.70
Rates and taxes	20.27	38.20
Other expenses	6.16	23.53
Total (E)	82.35	143.50
Total (A+B+C+D+E)	151.15	357.96

2.39 FINANCIAL RISK MANAGEMENT

Risk management framework

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's management risk policy is set by the Board of directors. The Company's activities expose it to a variety of financial risks like credit risk, liquidity risk and market risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below:

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks, as well as credit exposure to trade receivables and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.39 FINANCIAL RISK MANAGEMENT (continued)

managing counter party credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers primarily located in India. The Company has a process in place to monitor outstanding receivables on a monthly basis. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including government entities, insurance companies, corporates, individual and others. The default in collection as a percentage to total receivable is low.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

As at 31 March 2025

Age	Gross carrying amount	Weighted average loss rate	Allowance for expected credit loss
Less than 6 months	738.80	3.01%	22.21
6 months - 1 year	52.34	18.97%	9.93
1-2 years	35.06	47.92%	16.80
2-3 years	42.10	82.52%	34.74
More than 3 years	5.65	100.00%	5.65
	873.95		89.33

As at 31 March 2024

Age	Gross carrying amount	Weighted average loss rate	Allowance for expected credit loss
Less than 6 months	739.86	10.24%	75.73
6 months - 1 year	21.60	31.20%	6.74
1-2 years	64.20	45.81%	29.41
2-3 years	23.28	92.23%	21.47
More than 3 years	6.24	100.00%	6.24
	855.18		139.59

Movement in allowance for impairment in respect of trade receivables is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	139.59	183.88
Provision/(Reversal) for expected credit loss	7.31	(28.42)
Bad debts written-off out of opening	(8.27)	(15.87)
Provision for discounts and disallowances adjusted from gross receivables	(49.30)	-
Net remeasurement of provision	89.33	139.59

Cash and bank balances, loans and other financial assets

Cash and bank balances comprises of deposits with bank, interest accrued on deposits and other financial assets consists of security deposits,. These deposits are held with credit worthy banks. The credit worthiness of such banks are evaluated by the Management on an ongoing basis and is considered to be good with low credit risk. Further, the Company maintains exposure in money market liquid mutual funds and loans. The Company has set counter-parties limits based on multiple factors including financial position, credit rating, etc. Loans are assessed on lifetime expected

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.39 FINANCIAL RISK MANAGEMENT (continued)

credit loss model and no impairment loss is anticipated. The Company's maximum exposure to credit risk as at 31 March 2025 and 31 March 2024 is the carrying value of each class of financial assets.

The security deposit pertains to rent deposit given to lessors. The Company does not expect any losses from non-performance by these counter-parties.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, that it will always have sufficient liquidity to meet its liabilities when due. The Company's Management is responsible for liquidity, funding as well as settlement management.

The Company aims to maintain the level of its cash and cash equivalents and other highly marketable investments at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next six months. The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

Following are the financial assets at the reporting date:

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables (refer note 2.8)	784.62	715.59
Cash and cash equivalents (refer note 2.9 (a))	168.90	74.85
Bank balances other than cash and cash equivalents (refer note 2.9 (b))	0.20	0.07
Investments (refer note 2.2 and 2.7)	5,960.46	3,461.61
Other financial assets (refer note 2.3 (a) and 2.3 (b))	1,292.38	2,045.25
Loans (refer note 2.10 (a) and 2.10 (b))	329.99	332.51
Total	8,536.55	6,629.88

Following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

As at 31 March 2025

Particulars	Carrying Amount	Within 1 year	1-5 Years	More than five years	Total amount
Trade payables	858.78	858.78	-	-	858.78
Other financial liabilities	169.66	169.66	-	-	169.66
Lease liabilities (undiscounted)	7,343.55	862.05	3,712.90	9,399.35	13,974.30
Total	8,371.99	1,890.49	3,712.90	9,399.35	15,002.74

As at 31 March 2024

Particulars	Carrying Amount	Within 1 year	1-5 Years	More than five years	Total amount
Trade payables	763.40	763.40	-	-	763.40
Other financial liabilities	324.49	324.49	-	-	324.49
Lease liabilities (undiscounted)	7,347.00	816.47	3,498.33	10,315.78	14,630.58
Total	8,434.89	1,904.36	3,498.33	10,315.78	15,718.47

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will effect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

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for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.39 FINANCIAL RISK MANAGEMENT (continued)

Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interests rate. Interest rate risk primarily arises from the Company's borrowings, investments in bank deposits and loans given.

The interest rate profile of the Company's interest bearing financial instruments is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Fixed rate instruments (excluding interest accrued)		
Financial assets	1,183.69	1,929.03
Financial liabilities	7,343.55	7,347.00

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The majority of the Company's assets are located in India and Indian rupee being the functional currency for the Company. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to operating activities.

The Company has import of assets from United States of America (USD) and hence is exposed to foreign exchange risk for making payment for operations. The Company's foreign currency payables and receivables are unhedged.

Exposure to currency risk

The summary quantitative data about the Company's gross exposure to currency risk is as follows:

Particulars	Currency	As at 31 March 2025	
		Amount in foreign currency (in whole no's)	Amount in INR
Employee payables	USD	304	0.03
Advance to employees	USD	26,195	2.26
Advance to employees	GBP	5,562	0.59

Particulars	Currency	As at 31 March 2024	
		Amount in foreign currency (in whole no's)	Amount in INR
Trade payables	USD	108,847	9.04

Sensitivity analysis:

A reasonably possible strengthening / (weakening) of the INR, against USD and GBP would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasts sales and purchases.

	Profit before tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2025				
USD (5% movement)	(0.11)	0.11	(0.08)	0.08
GBP (5% movement)	(0.03)	0.03	(0.02)	0.02
31 March 2024				
USD (5% movement)	0.45	(0.45)	0.34	(0.34)

Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Notes to the Standalone Financial Statements

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2.40 CAPITAL MANAGEMENT

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Management monitors the return on capital, as well as the level of dividends to equity shareholders. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves. Total debt includes borrowings, lease liabilities and bank overdraft.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

The Company's adjusted debt to equity ratio is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Lease liabilities	7,343.55	7,347.00
Less: Cash and cash equivalents	(168.90)	(74.85)
Net debt	7,174.65	7,272.15
Total equity	14,885.44	12,852.51
Gearing ratio	0.48	0.57

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(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.41 FINANCIAL INSTRUMENTS

The fair values of financial assets and financial liabilities, together with the carrying amounts in the Balance sheet are as follows:

As at 31 March 2025

Particulars	Note	Carrying values				Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		Measured at fair value through profit or loss account	Fair value through other comprehensive income	Other financial assets – amortised cost	Other financial liabilities - amortised cost			
Financial assets measured at fair value								
Investments in equity instruments *	2.2	-	0.03	-	-	0.03	-	0.03
Investments in mutual funds	2.7	5,495.01	-	-	-	5,495.01	5,495.01	-
		5,495.01	0.03	-	-	5,495.04	5,495.01	0.03
Financial assets at amortised cost								
Trade receivables	2.8	-	-	784.62	-	784.62	-	-
Cash and cash equivalents	2.9 (a)	-	-	168.90	-	168.90	-	-
Bank balances other than cash and cash equivalents	2.9 (b)	-	-	0.20	-	0.20	-	-
Loans	2.10(a) and 2.10(b)	-	-	329.99	-	329.99	-	-
Other financial assets	2.3(a) and 2.3(b)	-	-	1,292.38	-	1,292.38	-	-
		-	-	2,576.09	-	2,576.09	-	-
Financial liabilities at amortised cost								
Trade payables	2.15	-	-	-	858.78	858.78	-	-
Other financial liabilities	2.16	-	-	-	169.66	169.66	-	-
		-	-	-	1,028.44	1,028.44	-	-

* Fair value information relating to investment in equity instruments are not presented as these are not material to the standalone financial statements.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.41 FINANCIAL INSTRUMENTS (continued)

The fair values of financial assets and financial liabilities, together with the carrying amounts in the Balance sheet are as follows:

As at 31 March 2024

Particulars	Note	Carrying values				Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		Measured at fair value through profit or loss account	Fair value through other comprehensive income	Other financial assets – amortised cost	Other financial liabilities – amortised cost			
Financial assets measured at fair value								
Investments in equity instruments *	2.2	-	0.03	-	-	0.03	-	0.03
Investments in mutual funds	2.7	2,996.16	-	-	-	2,996.16	2,996.16	-
		2,996.16	0.03	-	-	2,996.19	2,996.16	0.03
Financial assets at amortised cost								
Trade receivables	2.8	-	-	715.59	-	715.59	-	-
Cash and cash equivalents	2.9 (a)	-	-	74.85	-	74.85	-	-
Bank balances other than cash and cash equivalents	2.9 (b)	-	-	0.07	-	0.07	-	-
Loans	2.10(a) and 2.10(b)	-	-	332.51	-	332.51	-	-
Other financial assets	2.3(a) and 2.3(b)	-	-	2,045.25	-	2,045.25	-	-
		-	-	3,168.27	-	3,168.27	-	-
Financial liabilities at amortised cost								
Trade payables	2.15	-	-	-	763.40	763.40	-	-
Other financial liabilities	2.16	-	-	-	324.49	324.49	-	-
		-	-	-	1,087.89	1,087.89	-	-

* Fair value information relating to investment in equity instruments are not presented as these are not material to the standalone financial statements.

Note: The Company has not disclosed fair values of financial assets and liabilities such as investments, trade receivables, loans, cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets, trade payables, borrowings and other financial liabilities since their carrying amounts are reasonable approximates of fair values.

Fair value hierarchy

Level 1: Includes financial instruments measured using quoted prices. The fair value of all mutual funds which is valued using the closing Net Asset Value (NAV) as at the reporting year.

Level 2: The fair value of financial instruments not actively traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If the significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

There have been no transfers between Level 1, Level 2 and Level 3 for the year ended 31 March 2025 and 31 March 2024.

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2.42 REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Income from medical and healthcare services		
Revenue from hospital services	12,554.04	10,710.49
Revenue from pharmacy sales	1,585.83	1,299.05
Revenue from medical service fee	264.93	253.05
Total revenue from contracts with customers	14,404.80	12,262.59

Location of revenue recognition

Note: All the business operations of the Company are in India.

No single customer represents 10% or more of the Company's total revenue during the year ended 31 March 2025 and 31 March 2024.

Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Contracted price	14,488.40	12,330.29
Reduction towards variable consideration components*		
- Discounts	(56.97)	(55.26)
- Disallowances	(26.63)	(12.44)
Revenue from contracts with customers	14,404.80	12,262.59

*Variable consideration components include discounts and disallowances on the contract price.

Contract balances

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables	807.27	770.56
Contract assets (Unbilled revenue)	66.68	84.62
Contract liabilities (advance from patients)	38.23	33.72

Movement in contract liabilities during the year:

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	33.72	28.59
Less: Revenue recognised from above	(33.72)	(28.59)
Add: Addition during the year	38.23	33.72
Balance at the end of the year	38.23	33.72

Performance Obligation

The revenue from rendering medical & healthcare services and pharmaceutical products satisfies 'at a point in time' recognition criteria as prescribed by Ind AS 115.

2.43 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India certain sections of the code came into effect on 03 May 2024. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Based on a preliminary assessment, the Company believes the impact of the change will not be significant.

Notes to the Standalone Financial Statements

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(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.44 RATIOS AS PER THE SCHEDULE III REQUIREMENTS

a) Current ratio = Current assets divided by Current liabilities

Particulars	31 March 2025	31 March 2024
Current assets	7,855.02	5,942.97
Current liabilities	1,415.46	1,385.11
Ratio	5.55	4.29
% Change from previous year	29.37%	

Reason for change more than 25%:

This ratio has increased from 4.29 in March 2024 to 5.55 in March 2025 mainly due to increase in current investments in mutual funds.

b) Debt equity ratio = Total debt divided by Shareholder's equity where total debt refers to sum of current & non current borrowings

Particulars	31 March 2025	31 March 2024
Total debt (including lease liabilities)	7,343.55	7,347.00
Shareholder's equity	14,885.44	12,852.51
Ratio	0.49	0.57
% Change from previous year	(14.04%)	

Reason for change more than 25%: Not applicable

c) Debt Service Coverage Ratio = Earnings available for debt service divided by interest and lease payments + principal repayments

Particulars	31 March 2025	31 March 2024
Net profit after taxes	2,375.85	2,148.91
Add: Non cash operating expenses and finance cost	2,007.22	1,638.05
- Allowance/(reversal) for expected credit loss	7.31	(28.42)
- Employee share based payment expenses	(12.71)	54.30
- Depreciation and amortisation	1,317.48	1,051.51
- Finance cost	695.94	560.66
- (Gain) on sale of property, plant and equipment	(0.80)	-
Earnings available for debt service	4,383.07	3,786.96
Payment of lease liabilities	825.34	680.24
Total principal repayments	825.34	680.24
Ratio	5.31	5.57
% Change from previous year	(4.67%)	

Reason for change more than 25%: Not applicable

d) Return on Equity ratio / Return on investment ratio = Net profit after taxes by average shareholder's equity

Particulars	31 March 2025	31 March 2024
Net profit after taxes	2,375.85	2,148.91
Earning available to equity shareholders	2,375.85	2,148.91
Average shareholder's equity	13,868.98	11,868.20
Ratio	17.13%	18.11%
% Change from previous year	(5.41%)	

Reason for change more than 25%: Not applicable

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

e) Inventory turnover ratio = Cost of goods sold divided by average inventory

Particulars	31 March 2025	31 March 2024
Cost of materials consumed	1,898.69	1,571.27
Average inventory	226.64	201.30
Inventory turnover ratio	8.38	7.81
% Change from previous year	7.30%	

Reason for change more than 25%: Not applicable

f) Trade receivables turnover ratio = Credit sales divided by Average trade receivables

Particulars	31 March 2025	31 March 2024
Credit sales	5,350.03	4,437.37
Average Trade Receivables	750.11	612.50
Ratio	7.13	7.24
% Change from previous year	(1.52%)	

Reason for change more than 25%: Not applicable

g) Trade payables turnover ratio = Purchases divided by Average trade payables

Particulars	31 March 2025	31 March 2024
Purchases	1,900.25	1,620.39
Average trade payables	811.09	756.54
Ratio	2.34	2.14
% Change from previous year	9.35%	

Reason for change more than 25%: Not applicable

h) Net capital turnover ratio = Revenue from operations divided by Working capital where Working capital= Current assets - Current liabilities

Particulars	31 March 2025	31 March 2024
Revenue from operations	14,545.07	12,365.62
Working capital	6,439.56	4,557.86
Ratio	2.26	2.71
% Change from previous year	(16.61%)	

Reason for change more than 25%: Not applicable

i) Net profit ratio = Net profit after taxes divided by Revenue from operations

Particulars	31 March 2025	31 March 2024
Net profit after taxes	2,375.85	2,148.91
Revenue from operations	14,545.07	12,365.62
Ratio	16.33%	17.38%
% Change from previous year	(6.04%)	

Reason for change more than 25%: Not applicable

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

j) Return on Capital employed (pre cash)=Earnings before interest and taxes (EBIT) divided by Capital employed (pre cash)

Particulars	31 March 2025	31 March 2024
Profit before taxes (A)	3,220.83	2,892.17
Finance costs (B)	695.94	560.66
EBIT (D) = (A)+(B)	3,916.77	3,452.83
Capital employed (Pre Cash) (J)=(E)-(F)-(G)+(H)	15,086.51	13,003.30
Total assets (E)	23,542.20	21,504.36
Total liabilities (F)	8,656.76	8,651.85
Intangible assets and Intangible assets under development (G)	109.35	101.62
Deferred tax assets (net) (H)	310.42	252.41
Ratio (D)/(J)	25.96%	26.55%
% Change from previous year	(2.22%)	

Reason for change more than 25%: Not applicable

k) Return on Investment = Income generated from invested funds divided by Average Invested Funds

Particulars	31 March 2025	31 March 2024
Dividend income from subsidiary	-	14.19
Gain on redemption of mutual funds, net	78.13	73.55
Net gain on financial assets measured at fair value through profit or loss	269.80	58.85
Interest income on bank deposits	102.06	151.75
Income generated from invested funds (A)	449.99	298.34
Average Invested Funds (B)	6,061.91	5,636.64
Ratio (A)/(B)	7.42%	5.29%
% Change from previous year	40.25%	

Reason for change more than 25%:

This ratio has increased from 5.29% in March 2024 to 7.42% in March 2025 mainly due to increase in net gain on financial assets measured at fair value through profit or loss on current investments.

2.45 SHARE BASED PAYMENT ARRANGEMENT

Pursuant to the resolutions passed by the Board of Directors on 18 March 2023 and by the Shareholders on 06 May 2023, the Company approved 'The Rainbow Children's Medicare Limited - Employee Stock Unit Plan 2023 ("Stock Unit Plan 2023") in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB SE Regulations"). The Stock Unit Plan 2023 is for issue of employee stock units to eligible employees, which may result in an issuance of a maximum number of 400,000 Equity Shares. Upon exercise and payment of the exercise price, an unit holder will be entitled to be allotted one Equity Share per employee stock unit.

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 14 May 2023 and 07 August 2023, granted 275,000 and 37,414 Stock Units respectively under the Stock Unit Plan 2023 to its eligible employees which shall be exercisable into 312,414 equity shares having face value of ₹10 each fully paid-up. The exercise price per stock unit shall be the face value of equity shares of the Company i.e., ₹10 each. The vested Stock Units shall be exercisable within a period of three months from the date of each vesting. The Stock Units shall vest after the minimum vesting period of one year and not later than the maximum period of five years from the date of grant. The plan is in terms of SEBI SBEB SE Regulations.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.45 SHARE BASED PAYMENT ARRANGEMENT (continued)

Movement in the stock units under the Plan	No. of stock units	
	As at 31 March 2025	As at 31 March 2024
Stock units outstanding at the beginning of the year	312,414	-
Stock units granted during the year	-	312,414
Add : Stock units exercised during the year *	49,986	-
Less : Stock units lapsed during the year	12,497	-
Less : Stock units cancelled during the year #	220,000	-
Stock units exercisable at the end of the year	29,931	312,414

*Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 19 May 2024, vested 44,000 stock units under Stock Unit Plan 2023 at an exercise price of ₹ 10 per share to the Chief Operating Officer of the Company. Each stock unit represents one equity share of ₹ 10 each, fully paid-up. On 17 July 2024, the Nomination and Remuneration Committee through circular resolution allotted 44,000 equity shares of ₹ 10 each to the Chief Operating Officer of the Company.

During the year, upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 13 August 2024, vested 5,986 stock units under Stock Unit Plan 2023 at an exercise price of ₹ 10 per share to the Chief Financial Officer of the Company. Each stock unit represents one equity share of ₹ 10 each, fully paid-up. On 22 August 2024, the Nomination and Remuneration Committee through circular resolution allotted 5,986 equity shares of ₹ 10 each to the Chief Financial Officer of the Company.

On 27 October 2024, the Company has accepted the resignation of an eligible employee. Accordingly, the Company has cancelled 220,000 stock units.

Fair value measurement

The fair value at grant date is determined using the Black Scholes valuation option-pricing model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The key inputs used in Black-Scholes model for calculating fair value of options under the plan as on the date of grant are as follows:

	Chief Operating Officer	Chief Financial Officer
No. of stock units granted	275,000	37,414
Date of grant	14 May 2023	07 August 2023
Vesting period (years)	5 years	5 years
Expected life of the stock units granted (vesting & exercise period in years)	5.14 years	4.65 years
Stock price on the date of valuation (in ₹)	849.65	1,080.20
Fair value at grant date (in ₹)	835.18	1,064.17
Expected volatility	40.25%	35.00%
Dividend yield	0.24%	0.27%
Risk free rate	6.84%	7.24%

For details on the employee benefits expense, refer note 2.23

The ESOP 2025 scheme :

Pursuant to the resolutions passed by the Board of Directors on 09 February 2025 and by the Shareholders on 02 April 2025, the Company approved 'The Rainbow Children's Medicare Limited - Employee Stock Option Scheme 2025 ("ESOP 2025") in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB SE Regulations"). The ESOP 2025 scheme is for issue of employee stock options to eligible employees, which may result in an issuance of a maximum number of 1,015,000 Equity Shares. Upon exercise and payment of the exercise price, an option holder will be entitled to be allotted one Equity Share per employee stock option. The exercise price per option shall be determined by the Nomination and Remuneration Committee subject to a maximum discount of up to 20% from the market price of shares as on the date of Grant.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.46 SUBSEQUENT EVENTS

There are no significant adjusting events that occurred subsequent to the balance sheet date.

2.47 OTHER STATUTORY INFORMATION

- i. The Company do not have any Benami property and neither any proceedings have been initiated or is pending against the Company for holding any Benami property.
- ii. The Company do not have any transactions with companies struck off.
- iii. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory year.
- iv. The Company has not been declared a wilful defaulter by any bank or financial institution or any other lender during the current year.
- v. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vi. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. The loan has been utilised for the purpose for which it was obtained and no short term funds have been used for long term purpose.
- viii. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- ix. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)
- x. The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- xi. The Company has not revalued its Property, plant and equipment (including right of use of assets) or intangible assets or both during the current or previous year.
- xii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- xiii. There were no amounts which were required to be transferred to Investor Education Protection Fund by the Company.

2.48 During the financial year 2022-23, the Company has completed Initial Public Offering of 29,168,579 Equity Shares of face value of ₹ 10 each of the Company for at an issue price of ₹ 542 per equity share (including a share premium of ₹ 532 per equity share, eligible employees bidding in the employee's reservation portion were offered a discount of ₹ 20 per equity share) aggregating to ₹ 15,808.49 million comprising a fresh issue of 5,167,679 Equity Shares aggregating to ₹ 2,800.00 million and an offer for sale of 24,000,900 Equity shares aggregating to ₹ 13,008.49 million. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f. 10 May 2022.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.47 OTHER STATUTORY INFORMATION (continued)

The Company had received a net amount of ₹ 2,661.40 million (net of Company's share of IPO expenses ₹ 138.60 million which are proportionately allocated between Company and selling shareholders as per the respective offer size) from proceeds out of fresh issue of Equity Shares. The Company's share of IPO expenses ₹ 138.60 million have been adjusted with securities premium as per the Companies Act, 2013.

Details of utilisation of IPO proceeds:

Objects of the issue	Amount as proposed in offer document (A)	Amount to be spent as per offer document up to 31 March 2025* (B)	Amount to be spent as per offer document for the year 2024-25 (C)	Utilisation up to 31 March 2025 (D)	Unspent balance as at 31 March 2025 (E) = (B) - (D)
Early redemption of NCDs issued by our Company to CDC Emerging Markets Limited, in full	400.00	400.00	-	400.00	-
Capital expenditure towards setting up of new hospitals and purchase of medical equipment for such new hospitals	1,700.00	1,700.00	200.00	1,700.00	-
General corporate purposes *	561.40	576.10	-	576.10	-
Total	2,661.40	2,676.10	200.00	2,676.10	-

* During the financial year 2023-24, the Company has received an amount of ₹ 14.70 million towards the Company's share of unspent IPO expenses. The same has been adjusted with securities premium as per the Companies Act, 2013. The Board of Directors of the Company in their meeting held on 30 October 2023 had approved to spend the amount of ₹ 14.70 million towards the General corporate purposes, refer column (B) in the table above. After this change, amount to be utilised for General corporate purposes is ₹ 576.10 million.

2.49 The Company has used accounting software for maintaining its books of account (SAP) and software for maintenance of hospital related revenue and consumption records (Arcus Air) which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, except that audit trail feature is not enabled at the database level. Further no instance of audit trail feature being tampered with was noted in respect of the softwares where the audit trail has been enabled. Additionally, the audit trail in respect of Arcus Air has been preserved for a period of 3 months by the Company which is integrated to SAP on daily basis for all financial data and for SAP the audit trail of prior year has been preserved as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

As per our report of even date attached.

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava
Partner
Membership Number.: 504777

Place: Hyderabad
Date: 24 May 2025

for and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Vikas Maheshwari
Chief Financial Officer

Place: Hyderabad
Date: 24 May 2025

Dr. Dinesh Kumar Chirila
Director
DIN: 01395841

Shreya Mitra
Company Secretary
Membership Number: A54901

Place: Hyderabad
Date: 24 May 2025

Independent auditor's report

To the Members of Rainbow Children's Medicare Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of Rainbow Children's Medicare Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our

report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of loan receivable (as described in Note 2.10 of the consolidated financial statements)	
In the earlier years, the Group has given an unsecured loan to an external party (Madhukar Rainbow Children's Hospital). As at March 31, 2025 the loan outstanding balance is ₹ 327.72 million (including Interest accrued of ₹ 124.25 million).	In view of the significance of the matter, we performed the following procedures:
Due to the insufficient cash profits in the aforementioned party for the repayment of the loan, the Group is exposed to risk in respect of the recoverability of the loan.	1. Evaluated the design and implementation and tested operating effectiveness of key internal controls over the Group's impairment assessment process of the loan receivable. 2. Traced interest paid during the year to bank statements and assessed the compliance with the stipulated terms of the loan agreement.

Key audit matters	How our audit addressed the key audit matter
The Group carries out assessment of recoverability of these loans and impairment at every period end. This assessment uses several key assumptions including estimates of future cash flows, discount rate and growth rate. We have identified impairment of loan as a key audit matter due to: - the significance of the carrying value of the loan; - assessment of impairment involves Group's significant judgement and estimates.	- Obtained independent confirmation of balances as at March 31, 2025 from the external party . - Assessed the net worth of the external party on the basis of latest available financial statements. - Obtained the business projections of the external party from Management and performed the following procedures: - Compared the actual revenues and cash flows generated by the external party during the year with the budgets and estimates of the previous year. - Evaluated the reasonability of future cash flow projections prepared by the Management with respect to the key assumptions which include discount rate and growth rate. Involved our internal experts to assess the methodology and key assumptions used for impairment assessment by management. - Verified the classification and disclosures of the loans in accordance with Schedule III of the Act and Ind-AS.

OTHER INFORMATION

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Board's report to be included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. The Holding Company's Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash

flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial

statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

- (a) We did not audit the financial statements and other financial information, in respect of 6 subsidiaries, whose financial statements include total assets of ₹ 748.43 million as at March 31, 2025, and total revenues of ₹ 702.78 million and net cash inflows of ₹ 7.33 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xx) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports

of the other auditors except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above;
- (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Holding Company, its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and

to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 2.28 to the consolidated financial statements;
- ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2025;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, incorporated in India during the year ended March 31, 2025.
- iv.
 - a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have

represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 2.13 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the Holding Company at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi) Based on our examination which included test checks, the Group has used accounting software for maintaining its books of account (SAP) and software for maintenance of hospital related revenue and consumption records (Arcus Air) which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year

for all relevant transactions recorded in the software's except that, audit trail feature is not enabled for direct changes to data when using certain access rights, as described in note 2.49 to the consolidated financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of the software's where the audit trail has been enabled. Additionally, the audit trail in respect of Arcus Air has been preserved for a period of 3 months by the Group which is integrated to SAP on daily basis for all financial data and for SAP the audit trail of prior year has been preserved as per the statutory requirements for record

retention to the extent it was enabled and recorded in the respective year.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava

Partner

Membership Number: 504777

UDIN: 25504777BMOCMS6959

Place of Signature: Hyderabad

Date: May 24, 2025

Annexure ‘1’ referred to in paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date on the consolidated financial statements of Rainbow Children’s Medicare Limited (“the Holding Company”)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi) Remarks by the respective auditors in the Companies (Auditor’s Report) Order, 2020 (CARO) reports of the companies included in the consolidated financial statements are:

S.No	Name	CIN	Holding company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Rainbow Children’s Medicare Limited	L85110TG1998PLC029914	Holding Company	3 (iii) (e)

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava

Partner

Membership Number: 504777

UDIN: 25504777BMOCMS6959

Place of Signature: Hyderabad

Date: May 24, 2025

Annexure '2' to the independent auditor's report of even date on the consolidated financial statements of Rainbow Children's Medicare Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Rainbow Children's Medicare Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established

by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 6 subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava

Partner

Membership Number: 504777

UDIN: 25504777BMOCMS6959

Place of Signature: Hyderabad

Date: May 24, 2025

Consolidated Balance Sheet

as at 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
a. Property, plant and equipment	2.1(a)	8,132.82	6,387.06
b. Capital work-in-progress	2.1(a)	277.66	138.09
c. Right-of-use of assets	2.32	5,745.33	6,101.80
d. Intangible assets	2.1(b)	103.28	40.92
e. Intangible assets under development	2.1(b)	6.93	60.92
f. Financial assets			
(i) Investments	2.2	0.03	0.03
(ii) Loans	2.10 (a)	297.72	330.42
(iii) Other financial assets	2.3 (a)	319.74	266.34
g. Deferred tax assets (net)	2.27(d)	295.89	260.33
h. Non-current tax assets (net)	2.4	103.68	165.96
i. Other non-current assets	2.5	266.25	1,735.86
Total non-current assets		15,549.33	15,487.73
Current assets			
a. Inventories	2.6	275.69	239.78
b. Financial assets			
(i) Investments	2.7	5,707.28	3,075.00
(ii) Trade receivables	2.8	773.01	704.42
(iii) Cash and cash equivalents	2.9 (a)	202.55	101.19
(iv) Bank balances other than (iii) above	2.9 (b)	0.20	0.07
(v) Loans	2.10 (b)	30.00	-
(vi) Other financial assets	2.3 (b)	1,054.70	1,950.00
c. Other current assets	2.11	177.10	145.81
Total current assets		8,220.53	6,216.27
TOTAL ASSETS		23,769.86	21,704.00
EQUITY AND LIABILITIES			
EQUITY			
a. Equity share capital	2.12	1,015.52	1,015.02
b. Other equity	2.13	13,666.41	11,574.26
Equity attributable to owners of the Company		14,681.93	12,589.28
Non-controlling interest		68.17	59.92
TOTAL EQUITY		14,750.10	12,649.20
LIABILITIES			
Non-current liabilities			
a. Financial liabilities			
(i) Lease liabilities	2.32	7,416.79	7,483.31
b. Provisions	2.14	97.25	76.94
Total non-current liabilities		7,514.04	7,560.25
Current liabilities			
a. Financial liabilities			
(i) Lease liabilities	2.32	219.02	169.75
(ii) Trade payables	2.15		
a) Total outstanding dues to micro enterprises and small enterprises		102.02	94.19
b) Total outstanding dues to creditors other than micro enterprises and small enterprises		807.66	720.80
(iii) Other financial liabilities	2.16	178.07	331.34
b. Other current liabilities	2.19	131.99	123.28
c. Provisions	2.17	66.96	29.91
d. Current tax liabilities (net)	2.18	-	25.28
Total current liabilities		1,505.72	1,494.55
TOTAL EQUITY AND LIABILITIES		23,769.86	21,704.00
Summary of material accounting policies	1		

The accompanying notes referred to above form an integral part of the consolidated financial statements.
As per our report of even date attached.

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava
Partner
Membership Number.: 504777

for and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Vikas Maheshwari
Chief Financial Officer

Dr. Dinesh Kumar Chirila
Director
DIN: 01395841

Shreya Mitra
Company Secretary
Membership Number: A54901

Place: Hyderabad
Date: 24 May 2025

Place: Hyderabad
Date: 24 May 2025

Place: Hyderabad
Date: 24 May 2025

Consolidated Statement of Profit and Loss

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
INCOME			
Revenue from operations	2.20	15,158.66	12,969.00
Other income	2.21	510.08	370.64
Total income		15,668.74	13,339.64
EXPENSES			
Cost of materials consumed	2.22	1,949.20	1,652.80
Employee benefits expense	2.23	2,063.67	1,761.70
Finance costs	2.24	724.55	590.54
Depreciation and amortisation expense	2.25	1,384.40	1,120.82
Professional fees to doctors	2.26 (i)	3,690.21	3,053.66
Other expenses	2.26 (ii)	2,556.70	2,211.99
Total expenses		12,368.73	10,391.51
Profit before tax		3,300.01	2,948.13
Tax expenses:	2.27		
(a) Current tax		873.08	770.39
(b) Deferred tax		(35.19)	(5.13)
(c) Adjustment of tax related to earlier periods		19.85	-
Total tax expense		857.74	765.26
Profit for the year		2,442.27	2,182.87
Other comprehensive income			
Items that will not be reclassified subsequently to the Statement of Profit or Loss			
Re-measurement gain on defined benefit obligation	2.30	(0.98)	17.70
Income tax effect	2.27	0.37	(4.36)
Other comprehensive income for the year, net of tax		(0.61)	13.34
Total comprehensive income for the year		2,441.66	2,196.21
Profit for the year attributable to:			
Owners of the Company		2,434.24	2,170.01
Non-controlling interests		8.03	12.86
Other comprehensive income for the year attributable to:			
Owners of the Company		(0.83)	13.33
Non-controlling interests		0.22	0.01
Total comprehensive income for the year attributable to:			
Owners of the Company		2,433.41	2,183.34
Non-controlling interests		8.25	12.87
Earning per share (face value of share ₹10 each, fully paid)	2.35		
- Basic (₹)		23.97	21.38
- Diluted (₹)		23.84	21.38
Summary of material accounting policies	1		

The accompanying notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached.

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava
Partner
Membership Number.: 504777

for and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Vikas Maheshwari
Chief Financial Officer

Dr. Dinesh Kumar Chirla
Director
DIN: 01395841

Shreya Mitra
Company Secretary
Membership Number: A54901

Place: Hyderabad
Date: 24 May 2025

Place: Hyderabad
Date: 24 May 2025

Place: Hyderabad
Date: 24 May 2025

Consolidated Statement of Cash Flows

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash flows from operating activities		
Profit before tax	3,300.01	2,948.13
Adjustments:		
Depreciation and amortisation expense	1,384.40	1,120.82
Gain on redemption of mutual funds	(78.53)	(75.40)
Unrealised foreign exchange loss, net	0.14	0.23
Net gain on financial assets measured at fair value through profit or loss	(281.02)	(58.85)
Interest income on financial assets carried at amortised cost	(144.29)	(204.28)
Finance costs	724.55	590.54
Employee stock option cost	(12.71)	54.30
Advances written off	0.10	3.57
Allowance / (reversal) for expected credit loss	7.31	(28.42)
Bad debts written off	1.73	0.66
Net gain on sale of property, plant and equipment	(0.80)	(1.27)
Liabilities no longer required written back	(1.68)	(2.22)
	4,899.21	4,347.81
Adjustments for working capital:		
(Increase) in inventories	(35.91)	(52.18)
(Increase) trade receivables	(77.63)	(164.71)
(Increase) in financial and other assets	(106.42)	(57.12)
Increase in trade payables	95.46	26.92
(Decrease) in financial and current liabilities	(18.58)	(36.12)
Increase in provisions	56.38	35.55
Cash generated from operations	4,812.51	4,100.15
Income tax paid, net	(855.93)	(886.14)
Net cash from operating activities (A)	3,956.58	3,214.01
Cash flows from investing activities		
Purchase of property, plant and equipment, intangibles, intangible assets under development including capital advances, capital creditors and capital work-in-progress	(1,456.70)	(3,535.76)
Proceeds from sale of property, plant and equipment	0.80	1.27
Bank deposits redeemed with maturity of more than three months	2,489.94	5,032.24
Bank deposits invested with maturity of more than three months	(1,661.19)	(1,768.50)
Interest received	221.90	231.01
Gain on redemption of mutual funds, net	78.53	75.40
Investment in mutual funds	(8,254.59)	(8,688.64)
Redemption of mutual funds	5,903.33	6,253.82
Loans realised	-	134.50
Net cash used in investing activities (B)	(2,677.98)	(2,264.66)
Cash flows from financing activities		
Principal payment of lease liabilities	(873.10)	(724.99)
Dividend paid	(304.64)	(307.52)
Proceeds from issue of share capital	0.50	-
Refund of share issue expenses	-	14.70
Net cash used in financing activities (C)	(1,177.24)	(1,017.81)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	101.36	(68.46)
Cash and cash equivalents at the beginning of the year	101.19	169.65
Cash and cash equivalents at the end of the year (note b)	202.55	101.19

Consolidated Statement of Cash Flows (Contd..)

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

Notes:

- a) The above Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows".
- b) Components of cash and cash equivalents as at (Refer note 2.9 (a))

	As at 31 March 2025	As at 31 March 2024
Cash on hand	11.80	7.92
Balance with banks:		
- Current accounts	190.75	93.27
	202.55	101.19

- c) Reconciliation between opening and closing balances in the Balance sheet for liabilities and financial assets arising from financing activities for movement in Consolidated Statement of Cash Flows are given below:

	As at 31 March 2025	As at 31 March 2024
Opening balance:		
Lease liabilities	7,653.06	5,703.22
Movement:		
Lease liabilities		
Finance cost on lease liabilities (including capitalisation)	725.45	622.01
Addition to lease liabilities (net)	130.90	2,012.02
Lease modification	(0.50)	40.80
Payment of lease liabilities	(873.10)	(724.99)
Closing balance:		
Lease liabilities	7,635.81	7,653.06

The accompanying notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached.

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava
Partner
Membership Number: 504777

Place: Hyderabad
Date: 24 May 2025

for and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Vikas Maheshwari
Chief Financial Officer

Place: Hyderabad
Date: 24 May 2025

Dr. Dinesh Kumar Chirila
Director
DIN: 01395841

Shreya Mitra
Company Secretary
Membership Number: A54901

Place: Hyderabad
Date: 24 May 2025

Consolidated Statement of Changes in Equity

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

(A) SHARE CAPITAL

Particulars	Number of shares	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid-up		
As at 01 April 2023	101,501,687	1,015.02
Add: Shares issued during the year	-	-
As at 01 April 2024	101,501,687	1,015.02
Add: Shares issued during the year	49,986	0.50
As at 31 March 2025	101,551,673	1,015.52

(B) OTHER EQUITY

Particulars	Other equity							Total Equity
	Reserves and surplus					Equity attributable to shareholders of the Company	Non-Controlling Interest	
	Securities premium	General reserve	Share Options outstanding account	Capital reserve	Retained earning			
Balance as at 01 April 2023	3,972.26	43.89	-	8.95	5,558.98	9,584.08	50.06	9,634.14
Profit for the year	-	-	-	-	2,170.01	2,170.01	12.86	2,182.87
Refund of share issue expenses *	14.70	-	-	-	-	14.70	-	14.70
Employee share based payment expenses (refer note : 2.45)	-	-	96.58	-	-	96.58	-	96.58
Appropriations:								
Final dividend on equity shares for the period ended 31 March 2023. i.e. ₹ 3 per share	-	-	-	-	(304.44)	(304.44)	(3.01)	(307.45)
Remeasurement of defined benefit liability (net of tax effect)	-	-	-	-	13.33	13.33	0.01	13.34
Balance as at 31 March 2024	3,986.96	43.89	96.58	8.95	7,437.88	11,574.26	59.92	11,634.18

Consolidated Statement of Changes in Equity (Contd.)

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

(B) OTHER EQUITY (continued)

Particulars	Other equity							
	Reserves and surplus					Equity attributable to shareholders of the Company	Non-Controlling Interest	Total Equity
	Securities premium	General reserve	Share Options outstanding account	Capital reserve	Retained earning			
Balance as at 01 April 2024	3,986.96	43.89	96.58	8.95	7,437.88	11,574.26	59.92	11,634.18
Profit for the year	-	-	-	-	2,434.24	2,434.24	8.03	2,442.27
Employee share based payment expenses (refer note 2.45)	43.11	-	(79.73)	-	-	(36.62)	-	(36.62)
Appropriations/Adjustments:								
Final dividend on equity shares for the period ended 31 March 2024. i.e. ₹ 3 per share	-	-	-	-	(304.64)	(304.64)	-	(304.64)
Remeasurement of defined benefit liability (net of tax effect)	-	-	-	-	(0.83)	(0.83)	0.22	(0.61)
Balance as at 31 March 2025	4,030.07	43.89	16.85	8.95	9,566.65	13,666.41	68.17	13,734.58

* During the previous year, the Holding Company has received an amount of ₹ 14.70 million towards the Holding Company's share of unspent share issue expenses. The same has been adjusted with securities premium as per Companies Act, 2013.

The accompanying notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached.

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava
Partner
Membership Number.: 504777

Place: Hyderabad
Date: 24 May 2025

for and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Vikas Maheshwari
Chief Financial Officer

Place: Hyderabad
Date: 24 May 2025

Dr. Dinesh Kumar Chirla
Director
DIN: 01395841

Shreya Mitra
Company Secretary
Membership Number: A54901

Place: Hyderabad
Date: 24 May 2025

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

1. MATERIAL ACCOUNTING POLICIES

1.1 Group information

The consolidated financial statements comprise financial statements of Rainbow Children's Medicare Limited (formerly known as Rainbow Children's Medicare Private Limited) ('Company' or 'Holding Company') (CIN L85110TG1998PLC029914) along with its subsidiaries and other consolidating entities (collectively, the Group) for the year ended 31 March 2024. The Company was incorporated on 07 August 1998 as a Private Limited Company under the Companies Act, 2013 having registered office at 8-2-120/103/1, Survey No. 403, Road No.2, Banjara Hills, Hyderabad, Telangana-500034. The Group is primarily engaged in the business of rendering medical and healthcare services.

As a part of its business activities, the Holding Company holds interests in six subsidiaries (the Company and its subsidiaries hereinafter referred to as the 'Group') through which it manages and operate a network of hospitals.

The Holding Company's shares are listed on the BSE Limited and National Stock Exchange of India Limited. The consolidated financial statements were approved by the Board of Directors for issue on 24 May 2025.

1.2 Basis of preparation of the consolidated financial statements

(i) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, ("the Act") and other relevant provision of the Act under the historical cost convention on an accrual and going concern basis except for certain financial instruments which are measured at fair values, notified under the Act and rules prescribed thereunder. The company has prepared the consolidated financial statements on the basis that it continues to operate as a going concern.

(ii) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention and on accrual basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), defined benefit and other long-term employee benefits where present value of defined

benefit obligations ("DBO") is measured at fair value and share based payment is measured at fair value. The accounting policies are applied consistently to all the years presented in the consolidated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

(iii) Functional and Presentation Currency

These consolidated financial statements are presented in Indian Rupees (INR or ₹), which is also the Group's functional currency. All amounts have been rounded-off to two decimal places to the nearest million, unless otherwise indicated. The comparatives are presented for the year ended and as on 31 March 2024.

(iv) Use of estimates and judgements:

In preparing these consolidated 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

Estimates and underlying assumptions are reviewed on an periodic basis. Revisions to accounting estimates are recognised prospectively.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the Consolidated Financial Statements is included in the following notes:

Lease term: Whether the Group is reasonably certain to exercise extension options (Note 1.3(i))

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year is included in the following notes:

- **Contingent liabilities:** Contingent liabilities are not recognised in the financial statements but are disclosed in the notes.

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- They are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs (except in the extremely rare circumstances where no reliable estimate can be made). (Note 1.3(m))
- **Income taxes:** Significant judgements are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. (Note 1.3(j))
 - **Measurement of defined benefit obligations:** Key actuarial assumptions used for actuarial valuation. (Note 1.3(g))
 - **Impairment of financial assets:** The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. (Note 1.3(d))
 - **Impairment of non-financial assets:** Key assumptions underlying recoverable amount including forecasted projections.
 - **Property, plant and equipment:** Useful life of asset. (Note 1.3(b))
 - **Lease liabilities:** measurement of incremental borrowing costs. (Note 1.3(i))
 - **Other estimates:** The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Group estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

(v) Subsidiaries considered in the Consolidated Financial Statements

Name of the Company	Country of Incorporation	Proportion of ownership interest (%) and voting power held	
		As at	As at
		31 March 2025	31 March 2024
Subsidiary Companies			
Rainbow Children's Hospital Private Limited	India	100.00%	100.00%
Rainbow Women & Children's Hospitals Private Limited	India	100.00%	100.00%
Rainbow Speciality Hospitals Private Limited	India	78.81%	78.81%
Rosewalk Healthcare Private Limited	India	100.00%	100.00%
Rainbow Fertility Private Limited	India	100.00%	100.00%
Rainbow C R O Private Limited	India	100.00%	100.00%
Other Consolidating entities			
Rainbow Children's Hospital Foundation (Trust)	India	NA*	NA*

*The Company does not have any equity interests in this entity, but has significant influence over it.

Business combination and goodwill

Business combinations are accounted for under Ind AS 103 using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether

to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values.

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For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognise the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected

to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(vi) Principles of consolidation

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

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Specifically, the Group controls an investee if and only if the Group has:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- (ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- (iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) The contractual arrangement with the other vote holders of the investee;
- (ii) Rights arising from other contractual arrangements;
- (iii) The Group's voting rights and potential voting rights;
- (iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of an entity begins when the Group obtains control over that entity and ceases when the Group loses control over the entity. Assets, liabilities, income and expenses of an entity acquired or disposed of during the year are included in these Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The Consolidated Financial Statements of the Holding Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income, expenses and cash

flows after eliminating intra-group balances/ transactions and resulting unrealised profits in full. Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory, property, plant and equipment are eliminated in full). Unrealised losses resulting from intra-group transactions have also been eliminated in full as per Ind AS 110. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the Balance sheet of the Holding Company and its share in the post-acquisition increase in the relevant reserves of the subsidiaries.

The excess/ deficit of cost to the Holding Company of its investment in the subsidiaries over its portion of equity at the respective dates on which investment in such entities were made is recognised in the Consolidated Financial Statements as goodwill/ capital reserve. The Holding Company's portion of equity in such entities is determined on the basis of the book values of assets and liabilities as per the financial statements of such entities as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant transactions, up to the date of investment.

Non-Controlling Interests (NCI) in the net assets of consolidated subsidiaries consists of: (a) the amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and (b) the minorities' share of movements in equity since the date the holding subsidiary relationship came into existence.

The Consolidated Financial Statements are presented, to the extent possible, in the same format as that adopted by the Holding Company for its separate financial statements. The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the

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Consolidated Financial Statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e. year ended on 31 March 2025.

(vii) Current versus Non-current classification

All assets and liabilities are classified into current and non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- i. it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is expected to be realised within 12 months after the reporting date; or
- iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- i. it is expected to be settled in the Group's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is due to be settled within 12 months after the reporting date; or
- iv. the Group does not have an unconditional right to defer settlement of the liability for at least 12 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 fresh instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group normal operating cycle is twelve months.

(viii) Measurement of fair values

Group accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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- 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).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different level of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in the following notes in financial instruments [Refer note 2.41].

1.3 MATERIAL ACCOUNTING POLICIES

a. Financial Instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets:

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL -These assets are subsequently measured at fair value. Net gains

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and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost -These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI -These assets are subsequently measured at fair value. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified (as held-for-trading), it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets:

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or

- the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities:

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform, the Group updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e., the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applied the policies on accounting for modifications to the additional changes.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance

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sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

b. Property, plant and equipment

i. Recognition and measurement:

Items of property, plant and equipment are measured at cost (which includes capitalised borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any. The cost on item of property, plant and equipment comprises its purchase price, taxes, duties, freight and any other directly attributable costs of bringing the assets to their working condition for their intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

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

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net in the consolidated statement of profit and loss.

ii. Transition to IND-AS

The cost of property, plant and equipment as at 1 April 2016, the Group date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

iii. Subsequent costs:

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably.

iv. Depreciation:

Depreciation on Property, plant and equipment (other than for that class of assets specifically mentioned below) is calculated on a straight-line basis as per the useful life prescribed and in the manner laid down under Schedule II to the Companies Act 2013 and additions and deletions are restricted to the period of use. Depreciation is charged to consolidated statement of profit and loss.

If the Management's estimate of the useful life of a property, plant and equipment is different than that envisaged in the aforesaid Schedule, depreciation is provided based on the Management's estimate of the useful life. Pursuant to this policy, depreciation on the following class of property, plant and equipment has been provided at the rates based on the following useful lives of property, plant and equipment as estimated by Management which is different from the useful life prescribed under Schedule II of the Companies Act, 2013.

Description	Useful life (in years) by Management	Useful life (in years) under Schedule II of the Act
Buildings	60 years	60 years
Medical equipments*	7 years	13 years
Plant and equipments	15 years	15 years
Office equipments	5 years	5 years
Vehicles*	5 years	8 years
Computers	3 years	3 years
Furniture and Fixtures	10 years	10 years

**For these classes of assets, based on technical evaluation, the Management believes that the useful lives as given above best represents the period over which Management expects to use these assets. Hence, the useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.*

Leasehold Improvements are amortised over the period of lease or the estimated useful life, whichever is lower.

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The useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

Advances paid towards acquisition of tangible and intangible assets outstanding at each balance sheet date are shown under other non-current assets as capital advances.

c. Intangible assets and amortisation:

Computer software acquired by the Group, the value of which is not expected to diminish in the foreseeable future, is capitalised and recorded in the Balance sheet as computer software at cost of acquisition less accumulated amortisation and accumulated impairment losses. Computer software is amortised on straight line basis over a period of five years.

Amortisation method and useful lives are reviewed at the end of each financial year and adjusted if appropriate.

The Group capitalizes costs related to specific upgrades and enhancements of software when it is probable the expenditures will result in additional features, functionality and significant customer experience. The Group also capitalizes all direct and incremental costs incurred during the development phase, until such time when the software is substantially complete and ready for use.

Intangible asset is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the consolidated statement of profit and loss, when the asset is derecognised.

d. Impairment of assets

Impairment of financial assets

The Group recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Group also recognises loss allowances for ECLs on finance lease receivables, which are disclosed as financial assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade and finance lease receivables, loans and contract assets are always measured at an amount equal to lifetime ECLs.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group historical experience and informed credit assessment, that includes forward-looking information.

Measurement of expected credit losses

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

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Credit-impaired financial assets:

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise.
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group procedures for recovery of amounts due.

e. Investments

Equity investments which are in scope of Ind AS 109 are measured at fair value. For all other equity instruments in scope of Ind AS 109, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is

no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

f. Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition inclusive of non-refundable (adjustable) taxes wherever applicable. The Group follows the first in first out (FIFO) method for determining the cost of such inventories.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

g. Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Share based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

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ii. Post-employment benefit

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payment is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability considering any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on

curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Compensated absences

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit and the accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

h. Revenue recognition

The Group's revenue from medical and healthcare services comprises of income from hospital services and sale of pharmacy items.

Income from hospital services is recognised as revenue when the related services are rendered. The performance obligations for this stream of revenue include accommodation, surgery, medical/clinical professional services, food and beverages, investigation and supply of pharmaceutical and related products.

Revenue is measured based on the transaction price, which is the fixed consideration adjusted for components of variable consideration which constitutes discounts, estimated disallowances and any other rights and obligations as specified in the contract with the customer. In determining the transaction price for the hospital services, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any). Revenue is recognised at the point in time for the inpatient / outpatient hospital services when the related services are rendered at the transaction price.

Notes to the Consolidated Financial Statements

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Revenue from sale of pharmacy is recognised when it transfers control over a good or service to the customer, generally on delivery of product to the customer.

Medical service fee is recognized when the related services are rendered unless significant future uncertainties exist.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

Contract balances:

(i) Contract assets (Unbilled revenue)

Contract assets represents value to the extent of medical and healthcare services rendered to the patients who are undergoing treatment/ observation on the balance sheet date and is not billed as at the balance sheet date. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (d).

(ii) Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (a) Financial instruments.

(iii) Contract liabilities

Contract liabilities include advances received from patients for hospital services and is pending for final billing on the balance sheet date.

i. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(i) Right-of-use asset

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

(ii) Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'Property, plant and equipment' and lease liabilities separately in the balance sheet within 'Financial Liabilities'.

Short-term leases and leases of low-value assets:

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery and buildings that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

j. Income-tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

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Deferred tax assets recognised or unrecognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

k. Earnings per share

Basic Earnings Per Share ("EPS") is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

l. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. When the Group expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in statement of profit and loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

m. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the Consolidated Financial Statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

n. Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing activities and financing activities of the Group are segregated.

o. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Where bank overdrafts/ cash credits which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents. Bank overdrafts are shown within short term-borrowings in the balance sheet.

p. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such

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for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

q. Share capital

Equity shares incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

r. Share issue expenses

Share issue expenses are adjusted against the securities premium account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the securities premium account. Any refund of share issue expenses will be adjusted against securities premium.

s. Segment reporting

As defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker i.e. Board of Directors of the Group evaluates the Group performance and allocates resources based on an analysis of various performance indicators by business segment. Medical and Healthcare services has been considered as the only reportable segment. Hence, no separate final disclosure has been provided for the segment reporting.

t. Climate - related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments.

Notes to the Consolidated Financial Statements

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.1 (a) PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	Freehold land	Buildings	Leasehold improvements (refer note (i) below)	Medical equipments (refer note (i) below)	Plant and equipments	Furniture and fixtures	Office equipments	Vehicles	Computers	Total	Capital work-in-progress
Cost or deemed cost											
As at 01 April 2023	33.06	399.11	3,240.24	1,827.58	918.50	522.80	248.99	185.75	148.88	7,524.91	208.83
Additions	5.41	1.54	1,075.09	483.97	307.16	148.73	118.83	25.09	85.87	2,251.69	2,180.95
Disposals*	-	-	-	-	-	-	-	(3.34)	-	(3.34)	(2,251.69)
As at 31 March 2024 (A)	38.47	400.65	4,315.33	2,311.55	1,225.66	671.53	367.82	207.50	234.75	9,773.26	138.09
As at 01 April 2024	38.47	400.65	4,315.33	2,311.55	1,225.66	671.53	367.82	207.50	234.75	9,773.26	138.09
Additions	1,766.52	1.71	310.17	244.37	125.68	58.03	62.57	3.56	32.99	2,605.60	2,745.17
Disposals*	-	-	-	(1.20)	-	-	(0.21)	(3.79)	-	(5.20)	(2,605.60)
As at 31 March 2025 (B)	1,804.99	402.36	4,625.50	2,554.72	1,351.34	729.56	430.18	207.27	267.74	12,373.66	277.66
Accumulated depreciation:											
As at 01 April 2023	-	15.13	785.07	1,013.25	260.13	246.17	170.85	93.87	104.32	2,688.79	-
Depreciation	-	6.64	204.32	241.58	68.64	63.23	49.33	32.12	34.89	700.75	-
Disposals	-	-	-	-	-	-	-	(3.34)	-	(3.34)	-
As at 31 March 2024 (C)	-	21.77	989.39	1,254.83	328.77	309.40	220.18	122.65	139.21	3,386.20	-
As at 01 April 2024	-	21.77	989.39	1,254.83	328.77	309.40	220.18	122.65	139.21	3,386.20	-
Depreciation	-	6.66	268.95	281.75	88.85	71.03	58.44	31.82	52.34	859.84	-
Disposals	-	-	-	(1.20)	-	-	(0.21)	(3.79)	-	(5.20)	-
As at 31 March 2025 (D)	-	28.43	1,258.34	1,535.38	417.62	380.43	278.41	150.68	191.55	4,240.84	-
Net carrying amount											
As at 31 March 2025 (B-D)	1,804.99	373.93	3,367.16	1,019.34	933.72	349.13	151.77	56.59	76.19	8,132.82	277.66
As at 31 March 2024 (A-C)	38.47	378.88	3,325.94	1,056.72	896.89	362.13	147.64	84.85	95.54	6,387.06	138.09

* Disposals with respect to capital-work-in progress represents property, plant and equipment capitalisations.

Note:

- Delhi Development authority (DDA) has granted 5,500 square meters of land on perpetual lease to Madhukar Multispecialty Hospital Research Centre (MMHRC) in Malviyanagar (Delhi) via lease deed dated 16 September 2005. MMHRC has constructed a hospital building on this land with all infrastructure and services and 50% of the space was sublet to the Holding Company to operate and render healthcare services. DDA vide its letter dated 28 January 2019 to MMHRC has restricted subletting to 25% instead of earlier 50% and accordingly the Holding Company and MMHRC had executed amended the sub lease agreement dated 27 March 2019 which is effective from 01 April 2019. As at 31 March 2025, leasehold improvements and medical equipments include ₹92.60 million and ₹ 26.91 million (31 March 2024: ₹98.74 million and ₹ 36.83 million) respectively in respect of this hospital. The Management is utilising the assets for the purpose of providing medical services at MMHRC.
- Refer note 2.38 for details of incidental expenditure capitalised during the construction period.
- The title deeds of immovable properties (other than properties where the Group is the lessee and the lease arrangements are duly executed in favour of the lessee) are held in the name of the Group and the Group does not have any investment property.

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2.1 (A) PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS (continued)

Capital work-in-progress (CWIP) ageing schedule:

As at 31 March 2025

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	246.00	28.91	2.38	0.35	277.64
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2024

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	131.89	6.00	0.18	-	138.07
Projects temporarily suspended	-	-	-	-	-

There are no capital work in progress projects, whose completion is overdue or has exceed its cost compared to its original plan as at 31 March 2025 and 31 March 2024.

2.1 (b) Other intangible assets, Goodwill and Intangible assets under development

Particulars	Other intangible assets	Intangible assets under development
	Software	
Cost or deemed cost		
As at 01 April 2023	132.04	19.08
Additions	20.59	62.43
Disposals *	-	(20.59)
As at 31 March 2024 (A)	152.63	60.92
As at 01 April 2024	152.63	60.92
Additions	86.23	32.24
Disposals *	2.17	(86.23)
As at 31 March 2025 (B)	241.03	6.93
Accumulated amortisation		
As at 01 April 2023	98.30	-
Amortisation	13.41	-
As at 31 March 2024 (C)	111.71	-
As at 01 April 2024	111.71	-
Amortisation	24.03	-
Disposals	2.01	-
As at 31 March 2025 (D)	137.75	-
Net carrying amount		
As at 31 March 2025 (B-D)	103.28	6.93
As at 31 March 2024 (A-C)	40.92	60.92

* Disposals with respect to intangible assets under development represents intangible assets capitalisations.

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(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.1 (b) Other intangible assets, Goodwill and Intangible assets under development (continued)

Intangible assets under development ageing schedule:

As at 31 March 2025

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	0.65	-	6.28	-	6.93
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2024

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	47.47	13.45	-	-	60.92
Projects temporarily suspended	-	-	-	-	-

The Group does not have any Intangible assets under development which is overdue or has exceeded its cost compared to its original plan as at 31 March 2025 and 31 March 2024.

2.2 NON-CURRENT INVESTMENTS

(Valued at cost unless stated otherwise)

	As at 31 March 2025	As at 31 March 2024
Investments at fair value through other comprehensive income		
Investments in unquoted equity instruments		
- Vamana Solar Private Limited*	0.03	0.03
2,600 shares of ₹10 each, fully paid up (31 March 2024: 2,600 shares)		
	0.03	0.03
Aggregate amount of unquoted investments	0.03	0.03
Aggregate amount of impairment in value of investments	-	-

*The Group has designated the investments in Vamana Solar Private Limited as equity shares at FVOCI. The fair value of this investment as at 31 March 2025 is ₹ 0.03 million (31 March 2024: ₹ 0.03 million).

The Group's exposure to credit risk and market risk related to investments has been disclosed in note 2.39.

2.3 (a) Other financial assets (non-current) (at amortised cost)

Particulars	As at 31 March 2025	As at 31 March 2024
Bank deposits with remaining maturity more than 12 months	20.26	30.48
Interest accrued on deposits	4.19	2.32
Security deposits	295.29	233.54
	319.74	266.34

The Group's exposure to credit and market risk are disclosed in Note 2.39.

Notes to the Consolidated Financial Statements

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2.3 (b) Other financial assets (current) (at amortised cost)

(Unsecured, considered good)

Particulars	As at 31 March 2025	As at 31 March 2024
Bank deposits with remaining maturity less than 12 months #	1,026.15	1,844.67
Interest accrued on deposits	28.55	105.33
	1,054.70	1,950.00

Includes an amount of ₹ 21.80 million (31 March 2024: Nil) deposited towards on-going CSR projects and an amount of ₹ 3.00 million (31 March 2024: Nil) towards margin money deposits against bank guarantees.

2.4 NON-CURRENT TAX ASSETS (NET)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance tax (net of provision for taxation) (refer note 2.27 (b))	103.68	165.96
	103.68	165.96

2.5 OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)		
Capital advances		
- to other than related parties	233.47	1,701.16
Prepaid expenses	19.62	24.71
Amounts paid under protest	13.16	9.99
	266.25	1,735.86
Unsecured, considered doubtful		
Capital advances (credit impaired)	-	0.15
Less: Allowance for doubtful advances	-	(0.15)
	-	-
	266.25	1,735.86

2.6 INVENTORIES

(valued at the lower of cost or net realisable value)

Particulars	As at 31 March 2025	As at 31 March 2024
Medical consumables and pharmacy items	275.69	239.78
	275.69	239.78

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2.7 CURRENT INVESTMENTS

Particulars	As at 31 March 2025	As at 31 March 2024
Investments at fair value through profit or loss		
Quoted:		
Investments in Mutual funds - quoted		
Aditya Birla Sunlife Banking & PSU Debt Fund - Growth - Direct Plan 1,113,485.77 Units (31 March 2024: 891,229.77 Units)	414.40	305.59
HDFC Liquid Fund - Growth - Direct Plan 9878.16 Units (31 March 2024: 31,696.61 Units)	50.31	150.36
HDFC Large & Midcap Fund - Growth - Direct Plan 431,099.53 Units (31 March 2024: 73,194.97 Units)	140.19	21.91
HDFC Corporate Bond Fund - Growth - Direct Plan 13,722,798.35 Units (31 March 2024: Nil Units)	446.56	-
HDFC Arbitrage Fund - Wholesale Plan - Growth - Direct Plan 9,684,059.54 Units (31 March 2024: 4,290,612.05 Units)	192.02	78.84
HDFC Arbitrage Fund - Growth - Direct Plan 8,439,290.35 Units (31 March 2024: Nil Units)	167.33	-
DSP Liquid Fund - Growth - Direct Plan 20,633.61 Units (31 March 2024: Nil Units)	45.09	-
Bandhan Liquid Fund - Growth Direct Plan Nil Units (31 March 2024: 33,185.09 Units)	-	96.81
UTI Money Market Fund - Growth - Direct Plan 43,049.97 Units (31 March 2024: 130,817.03 Units)	131.76	371.16
ICICI Prudential Large & Midcap Fund - Growth - Direct Plan 141,192.74 Units (31 March 2024: 24,252.04 Units)	145.65	22.22
ICICI Prudential Banking & PSU Debt Fund - Growth - Direct Plan 10,550,288.35 Units (31 March 2024: 9,932,127.10 Units)	352.11	305.70
ICICI Prudential All Seasons Bond Fund - Growth - Direct Plan 8,328,117.37 Units (31 March 2024: 1,407,864.73 Units)	325.26	50.22
ICICI Prudential Equity Arbitrage Fund - Growth - Direct Plan 10,692,747.42 Units (31 March 2024: 10,692,747.42 Units)	386.53	358.04
Sundaram Liquid Fund - Growth - Direct Plan 9,082.04 Units (31 March 2024: Nil Units)	20.81	-
Tata Money Market Fund - Growth - Direct Plan 22,126.01 Units (31 March 2024: 22,126.04 Units)	104.35	96.64
TATA Arbitrage Fund - Growth - Direct Plan 19,192,942.67 Units (31 March 2024: Nil Units)	284.83	-
Parag Parikh Flexi Cap Fund - Growth - Direct Plan 1,691,383.96 Units (31 March 2024: 259,223.76 Units)	145.12	19.41
SBI Arbitrage Opportunities Fund - Growth - Direct Plan 8,818,633.98 Units (31 March 2024: 8,818,633.98 Units)	311.41	288.67
SBI Corporate Bond Fund 31,198,932.32 Units (31 March 2024: Nil Units)	486.91	-
Kotak Banking & PSU Debt Fund - Growth - Direct Plan 5,299,050.66 Units (31 March 2024: 4,989,380.42 Units)	352.88	306.14
Kotak Corporate Bond Fund - Growth - Direct Plan 106,266.49 Units (31 March 2024: 86,518.92 Units)	408.91	305.86
Kotak Money Market Fund - Growth - Direct Plan 40,461.73 Units (31 March 2024: 40,461.73 Units)	179.87	166.80

Notes to the Consolidated Financial Statements

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(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.7 CURRENT INVESTMENTS (continued)

Particulars	As at 31 March 2025	As at 31 March 2024
Kotak Equity Arbitrage Fund - Growth - Direct Plan 1,089,697.49 Units (31 March 2024: Nil Units)	42.88	-
Kotak Dynamic Bond Fund - Growth - Direct 6,677,570.61 Units (31 March 2024: Nil Units)	268.07	-
Nippon India - Arbitrage Fund - Growth - Direct Plan 3,817,291.94 Units (31 March 2024: Nil Units)	107.63	-
Invesco India - Arbitrage Fund - Growth - Direct Plan 1,498,997.32 Units (31 March 2024: Nil Units)	50.83	-
Axis Liquid Fund - Growth - Direct Plan 22,668.58 Units (31 March 2024: 48,676.37 Units)	65.37	130.63
HSBC Liquid Fund - Growth - Direct Plan 31,032.77 Units (31 March 2024: Nil Units)	80.20	-
	5,707.28	3,075.00
Aggregate amount of quoted investments and market value thereof	5,707.28	3,075.00

The Group's exposure to credit risk and market risk related to investments has been disclosed in note 2.39.

2.8 TRADE RECEIVABLES

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables - unsecured, considered good (refer note (b) below)		
- to related parties (refer note 2.31 (c))	2.72	1.19
- to other than related parties	791.23	753.46
Contract assets (Unbilled revenue) - unsecured, considered good (refer note 2.42)	70.02	91.34
Total	863.97	845.99
Less: Allowance for expected credit loss	(90.96)	(141.57)
Net total trade receivables	773.01	704.42

Trade receivables are unsecured and are derived from revenue earned from providing medical, healthcare and other ancillary services. No interest is charged on the outstanding balance, regardless of the age of the balance. The Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection.

The Group has used a practical expedient by computing the expected credit loss allowance based on a provision matrix. Management makes specific provision in cases where there are known specific risks of customer default in making the repayments. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the provision matrix.

The Group is subject to concentrations of credit risk in its accounts receivable for one customer comprising of 39% (31 March 2024: 42%) of Total Trade Receivables. Although the Group is directly affected by the financial condition of its customer, management does not believe significant credit risks exist at the balance sheet date. The Group does not require collateral or other securities to support its accounts receivable.

(a) The Group's exposure to credit risk and loss allowances related to trade receivables are disclosed in note 2.39.

(b) Trade receivables are non-interest bearing and are generally on terms of 30-45 days

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.8 TRADE RECEIVABLES (continued)

Trade Receivables ageing schedule:

As at 31 March 2025

Particulars	Unbilled Revenue	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Unbilled Revenue (Undisputed - considered good)	70.02	-	-	-	-	-	-	70.02
(ii) Undisputed Trade receivables – considered good	-	449.14	231.99	49.70	24.65	32.40	6.07	793.95
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iv) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	70.02	449.14	231.99	49.70	24.65	32.40	6.07	863.97
Less: Allowance for expected credit loss								(90.96)
Net total trade receivables								773.01

As at 31 March 2024

Particulars	Unbilled Revenue	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Unbilled Revenue (Undisputed - considered good)	91.34	-	-	-	-	-	-	91.34
(ii) Undisputed Trade receivables – considered good	-	424.62	241.13	14.97	54.18	13.43	6.32	754.65
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iv) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	91.34	424.62	241.13	14.97	54.18	13.43	6.32	845.99
Less: Allowance for expected credit loss								(141.57)
Net total trade receivables								704.42

There are no debts due by directors or other officers of the Group or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.9 (a) Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Cash on hand	11.80	7.92
Balance with banks		
- On current accounts	190.75	93.27
	202.55	101.19

2.9 (b) Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Unpaid dividend	0.20	0.07
	0.20	0.07

(a) The Group's exposure to credit risk and market risk are disclosed in note 2.39.

(b) Details of bank balances / deposits

Particulars	As at 31 March 2025	As at 31 March 2024
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	-	-
Bank deposits with original maturity more than 3 months but less than 12 months included under 'Bank balances other than cash and cash equivalents'	-	-
Bank deposits with original maturity more than 12 months and remaining maturity less than 12 months included under Other financial assets (current) (refer note 2.3(b))	1,026.15	1,844.67
Bank deposits with original maturity more than 12 months and remaining maturity more than 12 months included under Other financial assets (non-current) (refer note 2.3(a))	20.26	30.48

2.10 (a) Loans (non-current)

(Unsecured, considered good)

Particulars	As at 31 March 2025	As at 31 March 2024
Loans receivable**	203.47	203.47
	203.47	203.47
Interest accrued on - Loans receivable**	94.25	126.95
	297.72	330.42

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for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.10 (b) Loans (current)

Particulars	As at 31 March 2025	As at 31 March 2024
Interest accrued on - Loans receivable **	30.00	-
Total loan carried at amortised cost	30.00	-

** Unsecured Loan was given to an external party (Madhukar Rainbow Children's Hospital) at an interest rate of 8.50% p.a. (31 March 2024: 9.50% p.a.). This loan was given towards the working capital requirements of the borrower.

During the year, there has been a change in the terms of repayment of loan (principal) for Madhukar Rainbow Children's Hospital by providing a moratorium period of 2 years from 01 April 2024 to 01 April 2026 and reduced the rate of interest from 9.5% p.a. to 8.5% p.a.

Disclosure under Section 186(4) of the Companies Act, 2013

Loans:

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	203.47	337.97
Given during the year	-	-
Repaid during the year	-	(134.50)
Closing balance	203.47	203.47

2.11 OTHER CURRENT ASSETS

(Unsecured, considered good)

Particulars	As at 31 March 2025	As at 31 March 2024
Advances to suppliers	115.32	98.92
Prepaid expenses	49.61	41.05
Advance to employees *	10.59	5.69
Balances with government authorities	1.58	0.15
	177.10	145.81
Unsecured, considered doubtful		
Advance to suppliers (credit impaired)	-	3.42
Less: Allowance for doubtful advances	-	(3.42)
	-	-
	177.10	145.81

* Refer note 2.31(c) for advance to Key managerial personnel

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for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.12 SHARE CAPITAL

Particulars	As at 31 March 2025	As at 31 March 2024
Authorised		
150,000,000 (31 March 2024: 150,000,000) equity shares of ₹ 10 each	1,500.00	1,500.00
	1,500.00	1,500.00
Issued, subscribed and paid-up		
101,551,673 (31 March 2024: 101,501,687) equity shares of ₹ 10 each, fully paid-up	1,015.52	1,015.02
	1,015.52	1,015.02

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year :

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹ 10 each, fully paid-up				
At the commencement of the year	101,501,687	1,015.02	101,501,687	1,015.02
Add: Shares issued during the year	49,986	0.50	-	-
At the end of the year	101,551,673	1,015.52	101,501,687	1,015.02

b) Terms/Rights attached to Equity shares :

The Holding Company has a single class of equity shares of face value ₹ 10 each, fully paid up. Accordingly, all equity shares rank equally with regard to dividends and share in the Holding Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees.

On liquidation of the Holding Company, the holders of equity shares will be entitled to receive the residual assets of the Holding Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c) Particulars of shareholders holding more than 5% shares of a class of shares:

Name of shareholder	As at 31 March 2025		As at 31 March 2024	
	Number of shares	%	Number of shares	%
Equity shares of ₹ 10 each, fully paid-up held by:				
- Dr. Ramesh Kancharla	31,517,431	31.04%	31,494,654	31.03%
- Dr. Dinesh Kumar Chirla	6,633,310	6.53%	6,633,310	6.54%
- Dr. Adarsh Kancharla	6,110,432	6.02%	6,110,432	6.02%
- Kancharla Family Trust	5,205,700	5.13%	5,179,200	5.10%

As per records of the Holding Company, including its register of shareholder/members and other declarations received from shareholder regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

d) During the five years immediately preceding the reporting date, no shares have been bought back, issued for consideration other than cash other than disclosed below:

During the year ended 31 March 2022, 48,167,004 equity shares of ₹ 10 each, fully paid up of the Holding Company have been allotted as bonus shares by capitalisation of securities premium.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.12 SHARE CAPITAL (continued)

e) Shareholding of promoters

As at 31 March 2025

Promoter Name	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares	% change during the year
Equity shares:					
Dr Ramesh Kancharla	31,494,654	22,777	31,517,431	31.04%	0.01%
Dr Dinesh Kumar Chirla	6,633,310	-	6,633,310	6.53%	-
Dr Adarsh Kancharla	6,110,432	-	6,110,432	6.02%	-
Kancharla Family Trust	5,179,200	26,500	5,205,700	5.13%	0.03%
Total	49,417,596	49,277	49,466,873	48.72%	0.04%

As at 31 March 2024

Promoter Name	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares	% change during the year
Equity shares:					
Dr Ramesh Kancharla	31,494,654	-	31,494,654	31.03%	-
Dr Dinesh Kumar Chirla	6,633,310	-	6,633,310	6.54%	-
Dr Adarsh Kancharla	6,110,432	-	6,110,432	6.02%	-
Kancharla Family Trust	5,179,200	-	5,179,200	5.10%	-
Total	49,417,596	-	49,417,596	48.69%	-

2.13 OTHER EQUITY

Particulars	Securities premium	General reserve	Share Options outstanding account	Capital reserve	Retained earning	Total other equity
Balance as at 01 April 2023	3,972.26	43.89	-	8.95	5,558.98	9,584.08
Profit for the year	-	-	-	-	2,170.01	2,170.01
Refund of share issue expenses *	14.70	-	-	-	-	14.70
Employee share based payment expenses (refer note : 2.45)	-	-	96.58	-	-	96.58
Appropriations:						
Final dividend on equity shares for the period ended 31 March 2023. i.e. ₹ 3 per share	-	-	-	-	(304.44)	(304.44)
Remeasurement of defined benefit liability (net of tax effect)	-	-	-	-	13.33	13.33
Balance as at 31 March 2024	3,986.96	43.89	96.58	8.95	7,437.88	11,574.26

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.13 OTHER EQUITY (continued)

Particulars	Securities premium	General reserve	Share Options outstanding account	Capital reserve	Retained earning	Total other equity
Balance as at 01 April 2024	3,986.96	43.89	96.58	8.95	7,437.88	11,574.26
Profit for the year	-	-	-	-	2,434.24	2,434.24
Employee share based payment expenses (refer note 2.45)	43.11	-	(79.73)	-	-	(36.62)
Appropriations/Adjustments:	-	-	-	-	-	-
Final dividend on equity shares for the period ended 31 March 2024. i.e. ₹ 3 per share	-	-	-	-	(304.64)	(304.64)
Remeasurement of defined benefit liability (net of tax effect)	-	-	-	-	(0.83)	(0.83)
Balance as at 31 March 2025	4,030.07	43.89	16.85	8.95	9,566.65	13,666.41

* During the previous year, the Holding Company has received an amount of ₹ 14.70 million towards the Holding Company's share of unspent IPO expenses. The same has been adjusted with securities premium as per Companies Act, 2013.

Nature and purpose

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

General reserve

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Retained earning

The amount that can be distributed by the Holding Company as dividends to its equity shareholders.

Capital reserve

The Group has acquired a subsidiary through business combination resulting in bargain purchase.

Share options outstanding account

The share options outstanding account is used to recognise the value of equity settled share based payments provided to employees under Employee Stock Unit Plan 2023 (refer note : 2.45).

2.13 (a) DIVIDEND

Distribution made and proposed

Particulars	31 March 2025	31 March 2024
Dividends on equity shares declared and paid:		
Final dividend for the year ended 31 March 2024: ₹3 per share (31 March 2023: ₹ 3 per share)	304.64	304.51
	304.64	304.51
Proposed dividends on Equity shares:		
Proposed dividend for the year ended 31 March 2025: ₹ 3 per share (31 March 2024: ₹ 3 per share)	304.66	304.51
	304.66	304.51

The Board of Directors of the Holding Company, at its meeting held on 24 May 2025, have proposed a final dividend of ₹ 3 per Equity Share having face value of ₹10 each aggregating to ₹304.66 million for the financial year ended 31 March 2024. The proposal is subject to the approval of the shareholders at the forthcoming Annual General Meeting. Final dividend is accounted in the year in which it is approved by the shareholders.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.14 PROVISIONS (NON-CURRENT)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
- Gratuity (refer note 2.30(a))	76.30	59.01
- Compensated absences	20.95	17.93
	97.25	76.94

2.15 TRADE PAYABLES

Particulars	As at 31 March 2025	As at 31 March 2024
Trade payables		
- total outstanding dues to micro enterprises and small enterprises (MSME) (refer note 2.36)	102.02	94.19
- total outstanding dues to creditors other than micro enterprises and small enterprises	807.66	720.80
	909.68	814.99

The Group's exposure to liquidity and currency risk and loss allowances related to trade payables are disclosed in note 2.39.

Trade payables are non-interest bearing and are normally settled on 30 to 45 days terms.

Refer note 2.31(c) for related party balances.

Trade payables ageing schedule

As at 31 March 2025

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Total outstanding dues of micro enterprises and small enterprises (refer note 2.36)	-	99.93	1.53	0.09	0.47	102.02
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	237.85	559.48	5.19	3.33	1.81	807.66
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	237.85	659.41	6.72	3.42	2.28	909.68

As at 31 March 2024

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Total outstanding dues of micro enterprises and small enterprises (refer note 2.36)	-	92.42	1.56	0.19	0.02	94.19
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	175.79	31.16	503.57	6.73	3.55	720.80
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	175.79	123.58	505.13	6.92	3.57	814.99

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.16 OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2025	As at 31 March 2024
Employee benefit payables [^]	89.03	98.14
Creditors for capital goods	85.69	211.67
Other payables	3.22	21.53
Unpaid dividend	0.13	-
	178.07	331.34

[^] Refer note 2.31(c) for related party balances.

The Group's exposure to liquidity risk related to other financial liabilities are disclosed in note 2.39.

2.17 PROVISIONS (CURRENT)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Gratuity (refer note 2.30 (a))	36.20	17.14
Compensated absences	28.82	10.83
	65.02	27.97
Provision for claims, other than taxes*	1.94	1.94
	66.96	29.91
*Movement in provision for claims, other than taxes:		
Opening balance	1.94	1.94
Add: Addition during the year	-	-
Less: Utilisation/ reversal during the year	-	-
Closing balance	1.94	1.94

Provision for claims, other than taxes represents claims pending before Courts and based on Management's estimate of claims, provision is made on prudent basis that possible outflow of resources may arise in future.

2.18 CURRENT TAX LIABILITIES (NET)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for taxation (net of advance tax)	-	25.28
	-	25.28

2.19 OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2025	As at 31 March 2024
Contract liabilities (advance from patients) (refer note. 2.42)	41.17	39.38
Statutory liabilities	90.82	83.90
	131.99	123.28

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for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.20 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Income from medical and healthcare services		
- Revenue from hospital services (refer note 2.42)	13,149.59	11,300.60
- Revenue from pharmacy sales (refer note 2.42)	1,531.01	1,301.10
- Revenue from medical service fee (refer note 2.42)	269.48	255.19
	14,950.08	12,856.89
Other operating income		
- Cord blood extraction	22.58	30.22
- Canteen income	28.23	35.75
- Sale of baby products	81.56	1.87
- Others	76.21	44.27
	208.58	112.11
Total revenue from operations	15,158.66	12,969.00

2.21 OTHER INCOME

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income on financial assets carried at amortised cost		
- Bank deposits	109.25	162.90
- Loans	17.30	27.40
- Other financial assets carried at amortised cost	17.74	13.98
- Income tax refund	3.65	0.15
Gain on redemption of mutual funds, net	78.53	75.40
Net gain on financial assets measured at fair value through profit or loss	281.02	58.85
Reversal of expected credit loss, net	-	28.42
Liabilities no longer required written back	1.68	2.22
Gain on sale of property, plant & equipment	0.80	1.27
Other non-operating income	0.11	0.05
	510.08	370.64

2.22 COST OF MATERIALS CONSUMED

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventory at the beginning of year	239.78	187.60
Add: Purchases during the year	1,985.11	1,704.98
Less: Closing inventory	(275.69)	(239.78)
	1,949.20	1,652.80

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(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.23 EMPLOYEE BENEFITS EXPENSE *

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	1,888.91	1,548.77
Contribution to provident and other funds (refer note 2.30(a))	88.24	66.57
Gratuity expense (refer note 2.30(C)(i))	47.00	30.85
Employee share based payment expenses (refer note 2.45) #	(12.71)	54.30
Staff welfare expenses	52.23	61.21
	2,063.67	1,761.70

* Net of amount capitalised (refer note 2.38)

During the year, the Holding Company has reversed Employee share based payment expense towards unvested options of ₹52.05 million accounted in previous year pursuant to resignation of Chief Operating Officer.

2.24 FINANCE COSTS *

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest expense on lease liabilities (refer note 2.32)	724.55	590.54
	724.55	590.54

* Net of amount capitalised (refer note 2.38)

2.25 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation on property, plant and equipment (refer note 2.1(a))	859.84	700.75
Amortisation of intangible assets (refer note 2.1(b))	24.03	13.41
Depreciation of right-of-use assets (refer note 2.32) *	500.53	406.66
	1,384.40	1,120.82

* Net of amount capitalised (refer note 2.38)

2.26 (i) PROFESSIONAL FEES TO DOCTORS *

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Professional fees to doctors *	3,690.21	3,053.66
	3,690.21	3,053.66

* Net of amount capitalised (refer note 2.38)

2.26 (ii) OTHER EXPENSES *

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Hospital maintenance	71.58	65.18
Canteen expenses	271.05	236.21
Contract wages	400.66	330.84
Housekeeping expenses	82.27	77.02
Power and fuel	277.21	266.06
Lab and investigations	171.99	165.03
Repairs and maintenance		
- Plant and equipment	108.20	83.54
- Others	219.48	164.45

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.26(ii) OTHER EXPENSES * (continued)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Rent (refer note 2.32)	22.49	15.65
Rates and taxes	168.39	140.82
Business promotion and advertisement	309.44	290.24
Travelling and conveyance	50.74	57.64
Printing and stationery	87.78	83.53
Bad debts written off	1.73	0.66
Advances written off	0.10	3.57
Allowance for expected credit loss	7.31	-
Communication expenses	121.13	66.56
Insurance	16.56	15.94
Professional and consultancy	46.99	58.19
Audit fees (refer note 2.34)	9.97	7.24
Directors sitting fees	4.48	5.43
Corporate social responsibility (refer note 2.37)	51.52	35.91
Bank charges	43.56	34.76
Foreign exchange loss, net	0.14	0.23
Miscellaneous expenses	11.93	7.29
	2,556.70	2,211.99

* Net of amount capitalised (refer note 2.38)

2.27 TAX EXPENSE (net)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Amounts recognised in the Statement of Profit and Loss		
Current tax	873.08	770.39
Deferred tax credit	(35.19)	(5.13)
	837.89	765.26
Amounts recognised in other comprehensive income		
Deferred tax credit	0.37	(4.36)
	0.37	(4.36)
	837.52	769.62
Amounts recognised in the Statement of Profit and Loss		
Adjustment of tax related to earlier periods	19.85	-
	857.37	769.62

a. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	3,300.01	2,948.13
Enacted tax rate	25.17%	25.17%
Tax expense at enacted rates	830.55	741.99
80JJAA deduction	(7.88)	(8.81)
Expenses not deductible for tax	14.96	20.00
Others	(0.11)	16.44
	837.52	769.62

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.27 TAX EXPENSE (net) (continued)

b. The following table provides the details of non-current tax assets and current tax liabilities:

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current tax assets (net)	103.68	165.96
Current tax liabilities (net)	-	(25.28)
Net non-current tax assets at the end of the year	103.68	140.68

c. The gross movement in the net non-current tax assets is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Net non-current tax assets at the beginning of the year	140.68	24.93
Income tax paid	855.93	886.14
Income tax expense for the year	(873.08)	(770.39)
Income tax pertaining to earlier periods	(19.85)	-
Net non-current tax assets at the end of the year	103.68	140.68

d. Recognition of deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liability		
Property, plant and equipment	238.72	256.04
Fair value gain on mutual funds	83.44	14.84
Total deferred tax liability	322.16	270.88
Deferred tax asset		
Loss allowance on receivables	37.36	35.40
Provision for employee benefits	40.45	31.67
Provision for bonus	6.04	11.48
Lease liabilities (net of right-of-use of assets)	534.20	452.66
Total deferred tax asset	618.05	531.21
Net deferred tax asset	295.89	260.33

(ii) Movement in temporary differences

Particulars	Balance as at 01 April 2024	Recognised in statement of profit or loss during the year	Recognised in OCI during the year	Balance as at 31 March 2025
Loss allowance on receivables	35.40	1.96	-	37.36
Provision for employee benefits	31.67	8.41	0.37	40.45
Provision for bonus	11.48	(5.44)	-	6.04
Lease liabilities (net of right-of-use of assets)	452.66	81.54	-	534.20
Property, plant and equipment	(256.04)	17.32	-	(238.72)
Fair value gain on mutual funds	(14.84)	(68.60)	-	(83.44)
	260.33	35.19	0.37	295.89

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for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.27 TAX EXPENSE (net) (continued)

Particulars	Balance as at 01 April 2023	Recognised in statement of profit or loss during the year	Recognised in OCI during the year	Balance as at 31 March 2024
Loss allowance on receivables	62.16	(26.76)	-	35.40
Provision for employee benefits	22.88	13.15	(4.36)	31.67
Provision for bonus	32.88	(21.40)	-	11.48
Lease liabilities (net of right-of-use of assets)	404.81	47.85	-	452.66
Property, plant and equipment	(261.76)	5.72	-	(256.04)
Fair value gain on mutual funds	(1.40)	(13.44)	-	(14.84)
	259.57	5.12	(4.36)	260.33

Deferred tax assets have not been recognised for Rosewalk Healthcare Private Limited ('subsidiary') on Unabsorbed depreciation of ₹ 137.93 million (31 March 2024: ₹ 138.38 million) and brought forward losses of ₹ 265.54 million (31 March 2024: 321.69 million) because it's not probable that future taxable profit will be available against which the subsidiary can use the benefit thereon. The brought forward losses expire in the 8th year from the year of origin. The unabsorbed depreciation do not expire under current tax legislation.

2.28 CONTINGENT LIABILITIES

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Demands under dispute		
- Income-tax matters	-	4.14
- Goods and services tax	100.56	79.06
- Luxury tax demand under dispute	18.55	18.55
(ii) Claims against the Group not acknowledged as debt (Medico-legal) *	145.82	112.04
	264.93	213.79

* The Group is involved in the disputes, law suites, claims from patients/patient relatives that arise from time to time in ordinary course of business. Based on external legal advise, management believes none of the matters, either in individual or in aggregate will have any material effect on its consolidated financial statements, as the management believes it has a reasonable case in its defence of proceedings and hence, no provision is recognised in the consolidated financial statements.

The Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business including litigation before tax authorities and including matters mentioned above. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the claimants or the Group, as the case may be, and therefore cannot be predicted accurately. The Group engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes. The Management believes that it has a reasonable case in its defence of the proceedings and accordingly no further provision is required.

2.29 CAPITAL COMMITMENTS

Particulars	As at 31 March 2025	As at 31 March 2024
- Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	560.61	317.31

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.30 EMPLOYEE BENEFIT PLANS

The employee benefit schemes are as under:

(a) Defined contribution benefit plans

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident fund and Employee state insurance (ESI), which is a defined contribution plan. The contribution is charged to the Statement of consolidated profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident fund and ESI for the year ended 31 March 2025 amounts to ₹ 83.13 million and ₹ 5.11 million respectively (31 March 2024: ₹ 58.25 million and ₹ 8.32 million respectively) (refer note 2.23).

(b) Defined benefit plans

The Group provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days' salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit, restricted to a sum of ₹ 2.00 million. The Holding company contributes all ascertained liabilities towards gratuity to the Fund. The plan assets have been primarily invested in insurer managed funds. The Group's obligation in respect of gratuity plan, which is a defined benefit plan is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method.

The following table sets out the status of the funded gratuity plan as required under Ind AS 19 "Employee Benefits"

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's consolidated financial statements as at the balance sheet date :

Particulars	As at 31 March 2025	As at 31 March 2024
Defined benefit obligation	117.79	81.15
Fair value of plan assets	(5.29)	(5.00)
Net defined benefit obligation	112.50	76.15
Provisions (current) (Refer note 2.17)	36.20	17.14
Provisions (non-current) (Refer note 2.14)	76.30	59.01

B. Reconciliation of net defined benefit obligation:

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit obligation, plan assets and its components:

i. Reconciliation of present value of defined benefit obligation:

Particulars	As at 31 March 2025	As at 31 March 2024
Defined benefit obligation as at beginning of the year	81.15	73.67
Current service cost	17.23	24.96
Past service cost	25.03	-
Interest cost	5.02	5.40
Actuarial gains recognised in other comprehensive income	0.97	(17.70)
Benefits paid	(11.61)	(5.18)
Defined benefit obligation at the end of the year	117.79	81.15

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.30 EMPLOYEE BENEFIT PLANS (continued)

ii. Reconciliation of fair value of plan assets

Particulars	As at 31 March 2025	As at 31 March 2024
Fair value of plan assets as at the beginning of the year	5.00	-
Contributions paid in to the plan	11.24	10.18
Return on plan assets less interest on plan assets	0.29	(0.00)
Benefits paid	(11.24)	(5.18)
Fair value of plan assets as at the end of the year	5.29	5.00

C. (i) Gratuity expense recognised in the statement of profit and loss:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	17.23	24.96
Past service cost	25.03	-
Interest on defined benefit liability/(asset)	4.73	5.40
Gratuity expenses, included in employee benefit expenses	46.99	30.36

C. (ii) Re-measurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial (gain)/loss on defined benefit obligation		
- Actuarial loss/(gain) arising from change in financial assumptions	0.80	1.08
- Actuarial gain arising from change in demographic assumptions	(3.10)	(17.59)
- Actuarial gain arising on account of experience changes	3.03	(1.19)
- Actual return on plan assets less interest on plan assets	0.25	-
Actuarial gain recognised in other comprehensive income	0.98	(17.70)

D. Plan assets

Plan assets comprises of the following :

Particulars	As at 31 March 2025	As at 31 March 2024
Fund managed by insurer	5.29	5.00

E. Defined benefit obligation

Actuarial assumptions at balance sheet date:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Discount rate	6.90% p.a	7.15% p.a
Salary escalation rate	8% p.a	8% p.a
Attrition rate		
Nursing staff	46.11% p.a	-
Paramedical staff	27.92% p.a	-
Patient care services	44.8% p.a	-
Administration	36.12% p.a	-
Support staff	33.65% p.a	-
Age 21 to 30	-	49% p.a
Age 31 to 40	-	34% p.a
Age 41 to 50	-	24% p.a
51 and above	-	18% p.a
Retirement Age	58 years	58 years

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for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.30 EMPLOYEE BENEFIT PLANS (continued)

Maturity profile of defined benefit obligation

Particulars	As at 31 March 2025	As at 31 March 2024
1 st following year	41.24	22.13
Year 2 to 5	79.73	50.47
Year 6 to 9	18.62	21.86
For 10 years and above	4.99	21.04

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Sensitivity analysis: Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant would have affected the defined benefit obligation by the amounts shown below:

	As at 31 March 2025		As at 31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (50 bps movement)	115.96	119.17	79.58	82.80
Salary escalation rate (50 bps movement)	119.16	116.03	82.72	79.64

Expected contributions to the plan for the next annual reporting period

Expected contribution to post-employment benefit plans for the next year ending 31 March 2026 is ₹ 41.24 millions.

The weighted average duration of the defined benefit obligation is 2.71 years (31 March 2024: 3.54 years)

2.31 RELATED PARTIES

a) Names of the related parties and description of relationship:

Key managerial personnel (KMP)	Dr. Ramesh Kancharla, Chairman and Managing Director
	Dr. Dinesh Kumar Chirla, Whole-Time Director
	Mr. Anil Dhawan, Independent Director
	Mr. Santanu Mukherjee, Independent Director
	Ms. Sundari Raviprasad Pisupati, Independent Director
	Mr. Aluri Srinivasa Rao, Independent Director
	Dr. Nageswar Rao Koneti, Director
	Mr. Ashish Kapil, Company Secretary (resigned w.e.f 14 December 2024)
	Mrs. Shreya Mitra, Company Secretary (appointed w.e.f. 9 February 2025)
	Mr. R. Gowrisankar, Chief Financial Officer (resigned w.e.f 31 May 2023)
	Mr. Vikas Maheshwari, Chief Financial Officer (appointed w.e.f 01 June 2023)
	Mr. Sanjeev Sukumaran, Chief Operating Officer (resigned w.e.f. 30 October 2024)
	Dr. Adarsh Kancharla, Non-Executive Director (appointed w.e.f 24 January 2024)
Relative of key managerial personnel	Mrs. Padma Kancharla, wife of Dr. Ramesh Kancharla
	Mr. Ramadhara Naidu Kancharla, brother of Dr. Ramesh Kancharla
Enterprises where key managerial personnel along with their relatives exercise significant influence	Ravindranath GE Medical Associates Private Limited
	Rainbow Children's Foundation
Enterprises where relative of key managerial personnel is a member	Unimed Healthcare Private Limited

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.31 RELATED PARTIES (continued)

(b) Following is the summary of significant related party transactions during the year:

	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from medical/ professional services rendered		
- Rainbow Children's Foundation	7.44	8.19
Professional services received		
- Ravindranath GE Medical Associates Private Limited	1.56	7.28
- Unimed Healthcare Private Limited	40.77	13.52
Professional services received		
- Unimed Healthcare Private Limited	1.31	-
Medical service fee paid		
- Ravindranath GE Medical Associates Private Limited	0.00	0.25
Travel advance given to KMP		
- Dr. Ramesh Kancharla	2.32	0.33
Professional charges to KMP		
- Dr. Dinesh Kumar Chirla	28.25	34.04
- Dr. Adarsh Kancharla	-	0.96
- Dr. Nageswar Rao Koneti	15.00	15.00
Remuneration to KMP*		
- Dr. Ramesh Kancharla	45.00	65.00
- Mr. R.Gowrisankar	-	1.72
- Mr. Vikas Maheshwari (including perquisites)	25.57	12.36
- Mr. Sanjeev Sukumaran (including perquisites)	69.15	23.19
- Mr. Ashish Kapil	3.10	2.77
- Mrs. Shreya Mitra	0.68	-
Project management consultancy fee to relative of KMP		
- Mr. Ramadhara Naidu Kancharla	6.04	6.05
Reimbursement of expenditure		
- Unimed Healthcare Private Limited	18.14	-
Rental expenditure		
- Unimed Healthcare Private Limited	50.80	48.46
Commission to Independent Directors		
- Mr. Aluri Srinivasa Rao	1.00	1.00
- Mr. Anil Dhawan	1.00	1.00
- Mrs. Sundari Raviprasad Pisupati	1.00	1.00
- Mr. Santanu Mukherjee	1.00	1.00
*The KMP's are covered by the Group's gratuity policy and are eligible for compensated absences along with other employees of the Group. The proportionate amount of gratuity and compensated absences cost pertaining to the KMP has not been included in the aforementioned disclosures as these are not determined on an individual basis.		
Sitting fees paid to Directors		
- Mr. Anil Dhawan	0.90	1.15
- Mr. Aluri Srinivasa Rao	0.70	0.80
- Mrs. Sundari Raviprasad Pisupati	0.95	1.45
- Mr. Santanu Mukherjee	1.30	1.70
- Dr. Adarsh Kancharla	0.40	0.10

Notes to the Consolidated Financial Statements

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2.31 RELATED PARTIES (continued)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Leave travel allowance to KMP		
- Dr. Ramesh Kancharla	0.80	3.05
- Dr. Dinesh Kumar Chirla	-	1.20
Expenditure incurred on behalf of KMP		
- Dr. Dinesh Kumar Chirla	-	0.07
Dividend paid during the year to KMP and relative of KMP		
- Dr. Ramesh Kancharla	94.48	94.48
- Dr. Dinesh Kumar Chirla	19.90	19.90
- Dr. Adarsh Kancharla	18.33	18.33
- Mr. Ramadhara Naidu Kancharla	0.18	0.18
- Mr. R.Gowrisankar	-	0.01
- Mr. Ashish Kapil	0.00	0.00

c) The Group has the following amounts due from/ to the related parties:

	As at 31 March 2025	As at 31 March 2024
Trade payables		
- Ravindranath GE Medical Associates Private Limited	-	1.29
- Unimed Healthcare Private Limited	2.21	-
Trade receivables		
- Rainbow Children's Foundation	2.00	1.19
- Unimed Healthcare Private Limited	0.72	-
Travel advance to KMP		
- Dr. Ramesh Kancharla	2.65	0.33
Commission payable to Independent Directors		
- Mr. Aluri Srinivasa Rao	1.00	1.00
- Mr. Anil Dhawan	1.00	1.00
- Mrs. Sundari Raviprasad Pisupati	1.00	1.00
- Mr. Santanu Mukherjee	1.00	1.00
Professional fee payable to KMP		
- Dr. Dinesh Kumar Chirla	2.81	2.80
- Dr. Nageswar Rao Koneti	1.25	1.25
Project management consultancy fee payable to relative of KMP		
- Mr. Ramadhara Naidu Kancharla	0.50	0.50
Rent Payable		
- Unimed Healthcare Private Limited	4.90	4.37
Rental Security Deposit		
- Unimed Healthcare Private Limited	30.00	30.00

- d) All transactions with these related parties are at arm's length basis and resulting outstanding receivables and payables including financial assets and financial liabilities balances are settled in cash. None of the balances are secured. (All the amounts of transactions and balances disclosed in this note are gross (net of GST) and undiscounted).

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2.32 LEASES

A The Group as a lessee entered into various lease agreements majorly for buildings and used the following practical expedients on first time adoption of Ind AS 116:

(a) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term.

(b) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Right-of-use of assets

Particulars	Category of ROU Assets
	Buildings
Cost as at 01 April 2023	5,573.15
Additions	2,049.84
Disposals	(4.86)
Modification	41.18
Cost as at 31 March 2024 (A)	7,659.31
Cost as at 01 April 2024	7,659.31
Additions	152.31
Disposals	(5.80)
Modification	(0.28)
Cost as at 31 March 2025 (B)	7,805.54
Accumulated depreciation	
Accumulated depreciation as at 01 April 2023	1,131.92
Depreciation charge for the year	406.66
Depreciation capitalised (refer note 2.38)	19.08
Modification	(0.15)
Accumulated depreciation as at 31 March 2024 (C)	1,557.51
Accumulated depreciation as at 01 April 2024	
Depreciation charge for the year	1,557.51
Depreciation capitalised (refer note 2.38)	500.53
Accumulated depreciation as at 31 March 2025 (D)	2.17
Accumulated depreciation as at 31 March 2025 (D)	2,060.21
Net carrying amounts	
As at 31 March 2025 (B-D)	5,745.33
As at 31 March 2024 (A-C)	6,101.80

B The following are the amounts recognised in Statement of Profit and Loss account:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation expense on right-of-use of assets	500.53	406.66
Finance cost on lease liabilities	724.55	590.54
Expenses relating to short term leases (included in other expenses)	22.49	15.65
Total	1,247.57	1,012.85

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.32 LEASES (continued)

C Following is the movement in lease liabilities :

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	7,653.06	5,703.22
Additions	137.11	2,017.34
Finance cost	724.55	590.54
Finance cost capitalised (refer note 2.38)	0.90	31.46
Disposals	(6.21)	(5.31)
Payment of lease liabilities	(873.10)	(724.99)
Modification	(0.50)	40.80
Lease liability at the end of the year	7,635.81	7,653.06
Non-current lease liabilities	7,416.79	7,483.31
Current lease liabilities	219.02	169.75

D The following is the cash outflow on leases during the years:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Payment of lease liabilities	873.10	724.99
Short-term lease expense	22.49	15.65
Total cash outflow on leases	895.59	740.64

E The table below provides details regarding the contractual maturities of lease liabilities as at year-end on an undiscounted basis:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Less than 1 year	913.46	862.88
1 to 5 years	3,939.51	3,709.98
More than 5 years	9,552.44	10,519.70

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

2.33 SEGMENT REPORTING

The Group is engaged in the business of rendering medical and healthcare services.

Ind AS 108 "Operating Segment" establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. As defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) i.e. the Chairman and Managing Director. The CODM evaluates the Group's performance and allocates resources on overall basis. The Group's sole operating segment is therefore 'Medical and Healthcare Services'. Accordingly, there are no additional disclosures to be provided under Ind AS 108 other than those already provided in the consolidated financial statements.

Further the business operation of the Group are concentrated in India, and hence, the Group is considered to operate only in one geographical segment. There are no individual constomer contributing more than 10% of Group's total revenue.

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(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.34 PROFESSIONAL AND CONSULTANCY EXPENSES INCLUDES AUDITOR'S REMUNERATION (EXCLUDING GST)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
As an auditor		
- Statutory audit fees	5.30	4.01
- Limited review	2.70	2.40
- Reimbursement of expenses	0.45	0.83
Total	8.45	7.24

2.35 EARNINGS PER EQUITY SHARE :

The earnings per share has been computed as under:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit for the year (After adjusting Non-Controlling Interest) (A)	2,434.24	2,170.01
Less: Employee share based payment expenses (net of tax)	(9.51)	40.63
Profit attributable to equity shareholders (After adjusting Non-Controlling Interest) (B)	2,424.73	2,129.38
Shares		
Number of equity shares at the beginning of the year	101,501,687	101,501,687
Add: Fresh issue	49,986	-
Total number of equity shares outstanding at the end of the year	101,551,673	101,501,687
Weighted average number of equity shares outstanding at the end of year – Basic	101,536,429	101,501,687
Number of equity shares at the end of year (C)	101,536,429	101,501,687
Effect of potential equity shares on employee stock options outstanding (D)	175,050	254,641
Weighted average number of equity shares outstanding during the year – Diluted (E = C+D)	101,711,479	101,756,328
Earnings per share		
Earnings per share of par value ₹ 10 - Basic (₹) (A/C)	23.97	21.38
Earnings per share of par value ₹ 10 - Diluted (₹) (B/E)	23.84	21.38

Note: During the previous year, employee stock options were not included in the calculation of diluted earnings per share because they are antidilutive for the year.

2.36 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ('MSMED ACT')

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2025 has been made in the Consolidated Financial Statements based on information received and available with the Group. The Group has not received any claim for interest from any supplier under the said MSMED Act.

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2.36 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ('MSMED ACT') (continued)

Particulars	As at 31 March 2025	As at 31 March 2024
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
- Principal amount due to Micro and Small Enterprises	102.02	94.19
- Interest due on above	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Group.

The Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 2.39.

2.37 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Holding Company. The proposed areas for CSR activities, as per the CSR policy of the Holding Company are promotion of education and sports, rural development activities, medical facilities, and ensuring environmental sustainability which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Details of Corporate social responsibility expenditure		
(i) Gross amount required to be spent by the Group during the year	51.52	35.91
(ii) Amount approved by the Board to be spent during the year	51.52	35.91
(iii) Amount spent during the year (in cash)		
- construction/ acquisition of any asset	-	-
- on purpose other than above	5.86	14.11
(iv) Amount spent during the year (yet to be paid in cash)*		
- construction/ acquisition of any asset	-	21.80
- on purpose other than above	1.40	-
(v) (Shortfall) / Excess at the end of the year	(44.26)	-
(vi) Total of previous years shortfall	-	-
(vii) Contribution to a trust controlled by the Holding Company in relation to CSR expenditure	5.86	NA

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for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.37 CORPORATE SOCIAL RESPONSIBILITY (continued)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	NA	NA
(ix) Reason for shortfallFor the year ending 31 March 2025 and 31 March 2024 :	NA	NA
(x) Nature of CSR activities:		
a) Promotion of education and sports	2.00	2.91
b) Rural development activities and training for women	3.76	10.00
c) Promotion of medical facilities	0.10	1.13
d) Administrative overheads	-	0.07
e) Transferred to unspent CSR account (on-going project)*	45.66	21.80

* Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules 2021 ("the Rules"), the Holding Company has transferred the unspent amount of ₹ 45.66 million to a separate bank account subsequent to the balance sheet date under section 135 read with rules of Companies (CSR Policy) Rules, 2014.

2.38 INCIDENTAL EXPENDITURE CAPITALISED DURING THE CONSTRUCTION PERIOD

The Holding Company has capitalised the following expenses to the cost of property, plant and equipment, as they are directly attributable to construction of the asset. Consequently amounts disclosed under the respective notes are net of amounts capitalised by the Holding Company.

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Employee benefit expenses (A)	65.73	152.17
Finance cost (B)	0.90	31.46
Depreciation and amortisation (C)	2.17	19.08
Professional expenses (D)	-	11.75
Other expenses:		
Professional and consultancy	54.27	74.30
Travelling and conveyance	1.39	2.77
Power and fuel	0.26	4.70
Rates and taxes	20.27	38.20
Other expenses	6.16	23.53
Total (E)	82.35	143.50
Total (A+B+C+D+E)	151.15	357.96

2.39 FINANCIAL RISK MANAGEMENT

Risk management framework

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's management risk policy is set by the Board of Directors. The Group's activities expose it to a variety of financial risks like credit risk, liquidity risk and market risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below:

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans given.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.39 FINANCIAL RISK MANAGEMENT (continued)

Credit risk arises from cash held with banks, as well as credit exposure to trade receivables and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counter party credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers primarily located in India. The Group has a process in place to monitor outstanding receivables on a monthly basis. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including government entities, insurance companies, corporates, individual and others. The default in collection as a percentage to total receivable is low.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

As at 31 March 2025

Age	Gross carrying amount	Weighted average loss rate	Allowance for expected credit loss
Less than 6 months	751.15	2.96%	22.21
6 months - 1 year	49.70	19.98%	9.93
1-2 years	24.65	82.60%	20.36
2-3 years	32.40	100.00%	32.40
More than 3 years	6.07	100.00%	6.07
	863.97		90.96

As at 31 March 2024

Age	Gross carrying amount	Weighted average loss rate	Allowance for expected credit loss
Less than 6 months	757.09	10.06%	76.17
6 months - 1 year	14.97	45.02%	6.74
1-2 years	54.18	71.81%	38.91
2-3 years	13.43	100.00%	13.43
More than 3 years	6.32	100.00%	6.32
	845.99		141.57

Management believes that the unimpaired amounts that are past due by more than six months are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Movement in allowance for impairment in respect of trade receivables is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	141.57	194.50
(Reversal)/provision for expected credit loss	7.31	(28.42)
Bad debts written-off out of opening	(8.62)	(24.51)
Provision for discounts and disallowances adjusted from gross receivables	(49.30)	-
Net remeasurement of provision	90.96	141.57

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.39 FINANCIAL RISK MANAGEMENT (continued)

Cash and bank balances, loans and other financial assets

Cash and bank balances comprises of deposits with bank, interest accrued on deposits and other financial assets consists of security deposits. These deposits are held with credit worthy banks. The credit worthiness of such banks are evaluated by the Management on an ongoing basis and is considered to be good with low credit risk. Further, the Group maintains exposure in money market liquid mutual funds and loans. The Group has set counter-parties limits based on multiple factors including financial position, credit rating, etc. Loans are assessed on lifetime expected credit loss model and no impairment loss is anticipated. The Group's maximum exposure to credit risk as at 31 March 2025 and 31 March 2024 is the carrying value of each class of financial assets.

The security deposit pertains to rent deposit given to lessors. The Group does not expect any losses from non-performance by these counter-parties.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, that it will always have sufficient liquidity to meet its liabilities when due. The Group's Management is responsible for liquidity, funding as well as settlement Management.

The Group aims to maintain the level of its cash and cash equivalents and other highly marketable investments at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next six months. The Group also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

Following are the financial assets at the reporting date:

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables (Refer note 2.8)	773.01	704.42
Cash and cash equivalents (refer note 2.9(a))	202.55	101.19
Bank balances other than cash and cash equivalents (refer note 2.9(b))	0.20	0.07
Investments (Refer note 2.7)	5,707.31	3,075.03
Other financial assets (Refer note 2.3(a) and 2.3(b))	1,374.44	2,216.34
Loans (Refer note 2.10(a) and 2.10(b))	327.72	330.42
Total	8,385.23	6,427.47

Following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

As at 31 March 2025

Particulars	Carrying Amount	Within 1 year	1-5 Years	More than five years	Total amount
Trade payables	909.68	909.68	-	-	909.68
Other financial liabilities	178.07	178.07	-	-	178.07
Lease liabilities (undiscounted)	7,635.81	913.46	3,939.51	9,552.44	14,405.41
Total	8,723.56	2,001.21	3,939.51	9,552.44	15,493.16

Notes to the Consolidated Financial Statements

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(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.39 FINANCIAL RISK MANAGEMENT (continued)

As at 31 March 2024

Particulars	Carrying Amount	Within 1 year	1-5 Years	More than five years	Total amount
Trade payables	814.99	814.99	-	-	814.99
Other financial liabilities	331.34	331.34	-	-	331.34
Lease liabilities (undiscounted)	7,653.06	862.88	3,709.98	10,519.70	15,092.56
Total	8,799.39	2,009.21	3,709.98	10,519.70	16,238.89

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will effect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interests rate. Interest rate risk primarily arises from the Group's borrowings, investments with bank deposits and loans given.

The interest rate profile of the Group's interest bearing financial instruments is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Fixed rate instruments (excluding interest accrued)		
Financial assets	1,249.88	2,078.62
Financial liabilities	7,635.81	7,653.06

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The majority of the Group's assets are located in India and Indian rupee being the functional currency for the Group. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to operating activities.

The Group has import of assets from United States of America (USD) and hence is exposed to foreign exchange risk for making payment for operations. The Group's foreign currency payables and receivables are unhedged.

Exposure to currency risk

The summary quantitative data about the Group's gross exposure to currency risk is as follows:

Particulars	Currency	As at 31 March 2025		As at 31 March 2024	
		Amount in foreign currency (in whole no's)	Amount in INR	Amount in foreign currency (in whole no's)	Amount in INR
Employee payables	USD	304	0.03	-	-
Advance to employees	USD	26,195	2.26	-	-
Advance to employees	GBP	5,562	0.59	-	-
Trade payables	USD	-	-	108,847	9.04

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.39 FINANCIAL RISK MANAGEMENT (continued)

Sensitivity analysis:

A reasonably possible strengthening / (weakening) of the INR, against USD and GBP would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasts sales and purchases.

	Profit before tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2025				
USD (5% movement)	(0.11)	0.11	(0.08)	0.08
GBP (5% movement)	(0.03)	0.03	(0.02)	0.02
31 March 2024				
USD (5% movement)	0.45	(0.45)	0.34	(0.34)

Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

2.40 CAPITAL MANAGEMENT

The Group's policy is to maintain a stable and strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders. The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves. Total debt includes borrowings, lease liabilities and bank overdraft. The Company's adjusted debt to equity ratio is as follows:

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

The Group's adjusted debt to equity ratio is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Lease liabilities	7,635.81	7,653.06
Less: Cash and cash equivalents	(202.55)	(101.19)
Net debt	7,433.26	7,551.87
Total equity	14,750.10	12,649.20
Gearing ratio	0.50	0.60

Notes to the Consolidated Financial Statements

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2.41 FINANCIAL INSTRUMENTS

The fair values of financial assets and financial liabilities, together with the carrying amounts in the Balance sheet are as follows:

As at 31 March 2025

Particulars	Note	Carrying values				Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		Measured at fair value through profit or loss account	Fair value through other comprehensive income	Other financial assets – amortised cost	Other financial liabilities – amortised cost			
Financial assets measured at fair value								
Investments in equity instruments*	2.2	-	0.03	-	-	0.03	-	0.03
Investments in mutual funds	2.7	5,707.28	-	-	-	5,707.28	5,707.28	-
		5,707.28	0.03	-	-	5,707.31	5,707.28	0.03
Financial assets at amortised cost								
Trade receivables	2.8	-	-	773.01	-	773.01	-	-
Cash and cash equivalents	2.9 (a)	-	-	202.55	-	202.55	-	-
Bank balances other than cash and cash equivalents	2.9 (b)	-	-	0.20	-	0.20	-	-
Loans	2.10	-	-	327.72	-	327.72	-	-
Other financial assets	2.3 (a) & 2.3 (b)	-	-	1,374.44	-	1,374.44	-	-
		-	-	2,677.92	-	2,677.92	-	-
Financial liabilities at amortised cost								
Trade payables	2.15	-	-	-	909.68	909.68	-	-
Other financial liabilities	2.16	-	-	-	178.07	178.07	-	-
		-	-	-	1,087.75	1,087.75	-	-

* Fair value information relating to investment in equity instruments are not presented as these are not material to the consolidated financial statements.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.41 FINANCIAL INSTRUMENTS (continued)

The fair values of financial assets and financial liabilities, together with the carrying amounts in the Balance sheet are as follows:

As at 31 March 2024

Particulars	Note	Carrying values				Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		Measured at fair value through profit or loss account	Fair value through other comprehensive income	Other financial assets – amortised cost	Other financial liabilities – amortised cost			
Financial assets measured at fair value								
Investments in equity instruments*	2.2	-	0.03	-	-	0.03	-	0.03
Investments in mutual funds	2.7	3,075.00	-	-	-	3,075.00	3,075.00	-
		3,075.00	0.03	-	-	3,075.03	3,075.00	0.03
Financial assets at amortised cost								
Trade receivables	2.8	-	-	704.42	-	704.42	-	-
Cash and cash equivalents	2.9 (a)	-	-	101.19	-	101.19	-	-
Bank balances other than cash and cash equivalents	2.9 (b)	-	-	0.07	-	0.07	-	-
Loans	2.10	-	-	330.42	-	330.42	-	-
Other financial assets	2.3 (a) & 2.3 (b)	-	-	2,216.34	-	2,216.34	-	-
		-	-	3,352.44	-	3,352.44	-	-
Financial liabilities at amortised cost								
Trade payables	2.15	-	-	-	814.99	814.99	-	-
Other financial liabilities	2.16	-	-	-	331.34	331.34	-	-
		-	-	-	1,146.33	1,146.33	-	-

Note: The Group has not disclosed fair values of financial assets and liabilities such as investments, trade receivables, loans, cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets, trade payables, borrowings and other financial liabilities since their carrying amounts are reasonable approximates of fair values.

Fair value hierarchy

Level 1: Includes financial instruments measured using quoted prices. The fair value of all mutual funds which is valued using the closing Net Asset Value (NAV) as at the reporting period.

Level 2: The fair value of financial instruments not actively traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If the significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

There have been no transfers between Level 1, Level 2 and Level 3 for the year ended 31 March 2025 and 31 March 2024.

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2.42 REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Income from medical and healthcare services		
Revenue from hospital services	13,149.59	11,300.60
Revenue from pharmacy sales	1,531.01	1,301.10
Revenue from medical service fee	269.48	255.19
Total revenue from contracts with customers	14,950.08	12,856.89

Location of revenue recognition

Note: All the business operations of the Group are in India.

No single customer represents 10% or more of the Group's total revenue during the year ended 31 March 2025 and 31 March 2024.

Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Contracted price	15,040.32	12,924.88
Reduction towards variable consideration components*		
- Discounts	(62.86)	(55.42)
- Disallowances	(27.38)	(12.57)
Revenue recognised	14,950.08	12,856.89

*Variable consideration components include discounts and disallowances on the contract price.

Contract balances

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables*	793.95	754.65
Unbilled revenue	70.02	91.34
Contract liabilities (advance from patients)#	41.17	39.38

Movement in contract liabilities during the year:

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	39.38	32.81
Less: Revenue recognised from above	(39.38)	(32.81)
Add: Addition during the year	41.17	39.38
Balance at the end of the year	41.17	39.38

* Trade receivables are non-interest bearing and are generally on terms of 30-45 days.

Contract liabilities include advances received from patients for hospital services pending final billing.

Performance Obligation

The revenue from rendering medical & healthcare services and pharmaceutical products satisfies 'at a point in time' recognition criteria as prescribed by Ind AS 115.

2.43 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India certain sections of the code came into effect on 03 May 2024. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Based on a preliminary assessment, the Group believes the impact of the change will not be significant.

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2.44 ADDITIONAL INFORMATION AS REQUIRED UNDER PARA 2 OF GENERAL INSTRUCTION OF DIVISION II OF SCHEDULE III TO THE COMPANIES ACT, 2013.

31 March 2025

Name of the entity	Percentage holding	Country of Incorporation	Net Assets (i.e. total assets minus total liabilities)		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
			As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount	As % of Other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Holding Company										
Rainbow Children's Medicare Limited		India	100.92%	14,885.44	97.28%	2,375.85	353.69%	(2.16)	97.22%	2,373.69
Wholly owned subsidiary										
Rainbow Children's Hospital Private Limited	100%	India	0.00%	0.06	(0.00%)	(0.00)	0.00%	-	(0.00%)	(0.00)
Rainbow Woman and Children's Hospital Private Limited	100%	India	0.00%	-	0.00%	0.00	0.00%	-	0.00%	0.00
Rosewalk Healthcare Private Limited	100%	India	(0.32%)	(47.16)	0.97%	23.63	(82.95%)	0.51	0.99%	24.14
Rainbow C R O Private Limited	100%	India	0.03%	3.91	0.08%	2.07	0.00%	-	0.08%	2.07
Rainbow Fertility Private Limited	100%	India	0.38%	55.54	0.12%	2.84	0.00%	-	0.12%	2.84
Subsidiary										
Rainbow Speciality Hospital Private Limited	78.81%	India	2.16%	317.91	1.55%	37.88	(172.13%)	1.05	1.59%	38.93
Non-controlling interests in subsidiary			0.46%	68.17	0.33%	8.03	(36.48%)	0.22	0.34%	8.25
Other Consolidating entities										
Rainbow Children's Hospital Foundation		India	(0.00%)	(0.04)	0.00%	0.01	0.00%	-	0.00%	0.01
Elimination			(3.62%)	(533.73)	(0.33%)	(8.04)	37.88%	(0.23)	(0.34%)	(8.27)
Total			100.00%	14,750.10	100.00%	2,442.27	100.00%	(0.61)	100.00%	2,441.66

Note: Net assets, share in profit or loss and other comprehensive income of the Holding Company and subsidiaries are as per the standalone financial statements of respective entities.

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(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.44 ADDITIONAL INFORMATION AS REQUIRED UNDER PARA 2 OF GENERAL INSTRUCTION OF DIVISION II OF SCHEDULE III TO THE COMPANIES ACT, 2013. (continued)

31 March 2024

Name of the entity	Percentage holding	Country of Incorporation	Net Assets (i.e. total assets minus total liabilities)		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
			As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount	As % of Other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Holding Company										
Rainbow Children's Medicare Limited		India	101.61%	12,852.51	98.44%	2,148.91	96.44%	12.88	98.43%	2,161.79
Wholly owned subsidiary										
Rainbow Children's Hospital Private Limited	100%	India	0.00%	0.07	0.00%	0.01	0.00%	-	0.00%	0.01
Rainbow Woman and Children's Hospital Private Limited	100%	India	(0.00%)	(0.01)	0.00%	0.04	0.00%	-	0.00%	0.04
Rosewalk Healthcare Private Limited	100%	India	(0.56%)	(71.30)	(0.75%)	(16.35)	2.93%	0.39	(0.73%)	(15.96)
Rainbow C R O Private Limited	100%	India	0.01%	1.84	0.07%	1.55	0.00%	-	0.07%	1.55
Rainbow Fertility Private Limited	100%	India	0.42%	52.70	0.10%	2.23	0.00%	-	0.10%	2.23
Subsidiary										
Rainbow Speciality Hospital Private Limited	78.81%	India	2.21%	278.98	2.78%	60.69	0.52%	0.07	2.77%	60.76
Non-controlling interests in subsidiary			0.47%	59.93	0.59%	12.86	0.11%	0.01	0.59%	12.87
Elimination			(4.15%)	(525.51)	(1.24%)	(27.08)	0.00%	-	(1.23%)	(27.08)
Total			100.00%	12,649.20	100.00%	2,182.86	100.00%	13.35	100.00%	2,196.21

Note: Net assets, share in profit or loss and other comprehensive income of the Holding Company and subsidiaries are as per the standalone financial statements of respective entities.

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2.45 SHARE BASED PAYMENT ARRANGEMENT

Pursuant to the resolutions passed by the Board on 18 March 2023 and by the Shareholders on 06 May 2023, the Holding Company approved 'The Rainbow Children's Medicare Limited - Employee Stock Unit Plan 2023 ("Stock Unit Plan 2023") in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB SE Regulations"). The Stock Unit Plan 2023 is for issue of employee stock units to eligible employees, which may result in an issuance of a maximum number of 400,000 Equity Shares. Upon exercise and payment of the exercise price, an option holder will be entitled to be allotted one Equity Share per employee stock unit.

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Holding Company in their meeting held on 14 May 2023 and 07 August 2023, granted 275,000 and 37,414 Stock Units respectively under the Stock Unit Plan 2023 to its eligible employees which shall be exercisable into 312,414 equity shares having face value of ₹10 each fully paid-up. The exercise price per stock unit shall be the face value of equity shares of the Holding Company i.e., ₹10 each. The vested Stock Units shall be exercisable within a period of three months from the date of each vesting. The Stock Units shall vest after the minimum vesting period of one year and not later than the maximum period of five years from the date of grant. The plan is in terms of SEBI SBEB SE Regulations.

Movement in the stock units under the Plan	No. of stock units	
	As at 31 March 2025	As at 31 March 2024
Stock units outstanding at the beginning of the year	312,414	-
Stock units granted during the year	-	312,414
Add : Stock units exercised during the year*	49,986	-
Less : Stock units lapsed during the year	12,497	-
Less : Stock units cancelled during the year #	220,000	-
Stock units exercisable at the end of the year	29,931	312,414

*Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Holding Company in their meeting held on 19 May 2024, vested 44,000 stock units under Stock Unit Plan 2023 at an exercise price of ₹ 10 per share to the Chief Operating Officer of the Holding Company. Each stock unit represents one equity share of ₹ 10 each, fully paid-up.

During the year, upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 13 August 2024, vested 5,986 stock units under Stock Unit Plan 2023 at an exercise price of ₹ 10 per share to the Chief Financial Officer of the Company. Each stock unit represents one equity share of ₹ 10 each, fully paid-up. On 22 August 2024, the Nomination and Remuneration Committee through circular resolution allotted 5,986 equity shares of ₹ 10 each to the Chief Financial Officer of the Company.

On 27 October 2024, the Company has accepted the resignation of an eligible employee. Accordingly, the Company has cancelled 220,000 stock units.

Fair value measurement

The fair value at grant date is determined using the Black Scholes valuation option-pricing model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.45 SHARE BASED PAYMENT ARRANGEMENT (continued)

The key inputs used in Black-Scholes model for calculating fair value of options under the plan as on the date of grant are as follows:

	Chief Operating Officer	Chief Financial Officer
No. of stock units granted	275,000	37,414
Date of grant	14 May 2023	07 August 2023
Vesting period (years)	5 years	5 years
Expected life of the stock units granted (vesting & exercise period in years)	5.14 years	4.65 years
Stock price on the date of valuation (in ₹)	849.65	1,080.20
Fair value at grant date (in ₹)	835.18	1,064.17
Expected volatility	40.25%	35.00%
Dividend yield	0.24%	0.27%
Risk free rate	6.84%	7.24%

For details on the employee benefits expense, refer note 2.23

The ESOP 2025 scheme :

Pursuant to the resolutions passed by the Board of Directors on 09 February 2025 and by the Shareholders on 02 April 2025, the Holding Company approved 'The Rainbow Children's Medicare Limited - Employee Stock Option Scheme 2025 ("ESOP 2025") in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB SE Regulations"). The ESOP 2025 scheme is for issue of employee stock options to eligible employees, which may result in an issuance of a maximum number of 1,015,000 Equity Shares. Upon exercise and payment of the exercise price, an option holder will be entitled to be allotted one Equity Share per employee stock option. The exercise price per option shall be determined by the Nomination and Remuneration Committee subject to a maximum discount of up to 20% from the market price of shares as on the date of grant.

2.46 SUBSEQUENT EVENTS

There are no significant adjusting events that occurred subsequent to the balance sheet date.

2.47 OTHER STATUTORY INFORMATION

- The Group do not have any Benami property and neither any proceedings have been initiated or is pending against the Group for holding any Benami property.
- The Group do not have any transactions with companies struck off.
- The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Group has not been declared a willful defaulter by any bank or financial institution or any other lender during the current year.
- The Group have not advanced or loaned or invested funds to any other persons or entities including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

2.47 OTHER STATUTORY INFORMATION (continued)

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- viii. The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- ix. The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- x. The Group has not revalued its Property, plant and equipment (including right of use of assets) or intangible assets or both during the current or previous year.
- xi. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- xii. There were no amounts which were required to be transferred to Investor Education Protection Fund by the Company.

2.48 During the financial year 2022-23, the Holding Company has completed Initial Public Offering of 29,168,579 Equity Shares of face value of ₹ 10 each of the Company for at an issue price of ₹ 542 per equity share (including a share premium of ₹ 532 per equity share, eligible employees bidding in the employee's reservation portion were offered a discount of ₹ 20 per equity share) aggregating to ₹ 15,808.49 million comprising a fresh issue of 5,167,679 Equity Shares aggregating to ₹ 2,800.00 million and an offer for sale of 24,000,900 Equity shares aggregating to ₹ 13,008.49 million. The equity shares of the Holding Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f 10 May 2022.

The Holding Company has received a net amount of ₹ 2,661.40 million (net of Company's share of IPO expenses ₹ 138.60 million) from proceeds out of fresh issue of Equity Shares. The Holding Company's share of IPO Expenses ₹ 138.60 million has been adjusted to securities premium.

Details of utilisation of IPO proceeds:

Objects of the issue	Amount as proposed in offer document (A)	Amount to be spent as per offer document up to 31 March 2025* (B)	Amount to be spent as per offer document for the year 2024-25 (C)	Utilisation up to 31 March 2025 (D)	Unspent balance as at 31 March 2025 (E) = (B) - (D)
Early redemption of NCDs issued by our Company to CDC Emerging Markets Limited, in full	400.00	400.00	-	400.00	-
Capital expenditure towards setting up of new hospitals and purchase of medical equipment for such new hospitals	1,700.00	1,700.00	200.00	1,700.00	-
General Corporate Purposes*	561.40	576.10	-	576.10	-
Total	2,661.40	2,676.10	200.00	2,676.10	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

(All amounts are in Indian rupees millions, except share data and unless otherwise stated)

* During the financial year 2023-24, the Company has received an amount of ₹ 14.70 million towards the Company's share of unspent IPO expenses. The same has been adjusted with securities premium as per the Companies Act, 2013. The Board of Directors of the Company in their meeting held on 30 October 2023 had approved to spend the amount of ₹ 14.70 million towards the General corporate purposes, refer column (B) in the table above. After this change, amount to be utilised for General corporate purposes is ₹ 576.10 million.

2.49 The Group has used accounting software for maintaining its books of account (SAP) and software for maintenance of hospital related revenue and consumption records (Arcus Air) which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, except that audit trail feature is not enabled at the database level. Further no instance of audit trail feature being tampered with was noted in respect of the softwares where the audit trail has been enabled. Additionally, the audit trail in respect of Arcus Air has been preserved for a period of 3 months by the Group which is integrated to SAP on daily basis for all financial data and for SAP the audit trail of prior year has been preserved as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

As per our report of even date attached.

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava
Partner
Membership Number.: 504777

Place: Hyderabad
Date: 24 May 2025

for and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Vikas Maheshwari
Chief Financial Officer

Place: Hyderabad
Date: 24 May 2025

Dr. Dinesh Kumar Chirla
Director
DIN: 01395841

Shreya Mitra
Company Secretary
Membership Number: A54901

Place: Hyderabad
Date: 24 May 2025



RAINBOW CHILDREN'S MEDICARE LIMITED

Corporate Identity Number: L85110TG1998PLC029914

Regd. Office: 8-2-120/103/1, Survey No. 403, Road No. 2, Banjara Hills, Hyderabad – 500034, Telangana.

Corporate Office: 8-2-19/1/A, Daulet Arcade, Road No. 11, Banjara Hills, Hyderabad - 500034, Telangana.

Website: www.rainbowhospitals.in; **E-Mail:** companysecretary@rainbowhospitals.in

Telephone No: +91 40 49692244

Notice of Annual General Meeting

Notice is hereby given that the twenty-seventh (27th) Annual General Meeting ("AGM") of the members of Rainbow Children's Medicare Limited ("the Company") will be held on Saturday, July 5, 2025 at 11:30 A.M. IST through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial statements of the Company for the Financial Year ended March 31, 2025, the reports of the Auditors and Board of Directors thereon and the Audited Consolidated Financial statements of the Company for the Financial Year ended March 31, 2025 and the report of the Auditors thereon.
2. To declare dividend of ₹ 3/- per Equity Share for the Financial Year ended March 31, 2025.
3. To appoint a Director in place of Dr. Dinesh Kumar Chirla (DIN: 01395841), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. To ratify the remuneration payable to Cost Auditors for the Financial Year 2025-26.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s)/ amendment(s)/ re-enactment(s) thereof, for the time being in force) and any other applicable provisions/ statute as may be applicable from time to time, the Members of the Company hereby ratifies the remuneration of ₹ 2,00,000/- (Rupees Two Lakhs Only) plus applicable taxes and out of pocket expenses payable to M/s. Lavanya

& Associates, Cost Accountants, appointed as the Cost Auditors of the Company for the Financial Year 2025-26.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

5. To appoint Secretarial Auditor of the Company for a term of 5 (five) consecutive years from FY 2025-26;

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s)/ amendment(s)/ re-enactment(s) thereof, for the time being in force) and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and basis the recommendation of Audit Committee and Board of Directors, Mr. K.V.S. Subramanyam, Company Secretary in practice, a peer reviewed Company Secretary, be and is hereby appointed as the Secretarial Auditor of the Company, for conducting the Secretarial Audit as mandated, for a term of five consecutive years from the Financial Year 2025-26 to Financial Year 2029-30, at a remuneration as may be decided by the Board of Directors from time to time in consultation with the Secretarial Auditor of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby jointly or severally authorized to take necessary actions and do all acts,

deeds and things as may be necessary to give effect to the said resolution.”

6. To approve increase in commission payable to Non-Executive Directors (including Independent Directors) of the Company.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in supersession of all earlier resolutions passed in this regard, pursuant to the provisions of section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (the **“Act”**) read with rules made thereunder, Regulation 17 and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**) (including any statutory modification(s)/ amendment(s)/ re-enactment(s) thereof, for the time being in force), the articles of association of the Company, pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company (**“Board”**), the consent of Members be and is hereby accorded to increase in the commission payable to Non-executive Directors (including Independent Directors) from ₹ 10,00,000/- (Rupees Ten Lakh only) per annum each Director to a maximum of ₹ 18,00,000/- (Rupees Eighteen Lakhs Only) per annum each director with effect from the Financial year 2025-26, in a manner that the aggregate remuneration payable to all the Non-executive Directors (including Independent Directors) shall not exceed 1% per annum of the net profits of the Company calculated in accordance with the provisions of the Act.

RESOLVED FURTHER THAT the said commission be paid in such amounts or proportion and in such manner as the Board of Directors may from time to time determine and based on the performance of the Company and performance evaluation of each Non-Executive Directors (including Independent Directors).

RESOLVED FURTHER THAT in addition to aforesaid commission, Non-executive Directors (including Independent Directors) shall also be entitled for sitting fees, as may be decided by the Board from time to time and reimbursement of the expenses for attending meetings of the Board and its committee(s) thereof, as permissible under the Act and/or SEBI Listing Regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as the Board may in its absolute discretion deem necessary, desirable or expedient, including but not limited to filing forms, applications

and making representations, seeking all necessary approvals from relevant authorities, including governmental authorities, if any, to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution and to delegate all or any of the powers herein conferred to director(s), committee(s), executive(s), officer(s) or representative(s) of the Company or to any other person to do all such acts, deeds, matters and things as may be considered necessary or expedient and to execute such documents, writings etc. as may be necessary to give effect to this resolution.”

7. To approve increase in the limits applicable for making investments/ extending loans and giving guarantees or providing securities in connection with loans to persons/ bodies corporate.

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of all earlier resolutions passed in this regard, pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (the **“Act”**) read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s)/ amendment(s)/ re-enactment(s) thereof, for the time being in force) and subject to such other approvals, consents, sanctions and permissions as may be necessary, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as **“the Board”**) which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution, to **(i)** give any loan to any person or other body corporate; **(ii)** give any guarantee or provide any security in connection with a loan to any other body corporate or person; and **(iii)** acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as it may in its absolute discretion deem beneficial and in the interest of the Company, subject to however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed at any point of time, a sum of ₹ 1,400 Crores (Rupees One Thousand and Four Hundred

Crores Only) or the limit of 60% of the aggregate of the paid-up share capital, free reserves and securities premium account of the Company or 100% of the aggregate of the free reserves and securities premium account of the Company, as prescribed under Section 186 of the Act, whichever is more.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things including but not limited to authorising signatories, taking from time to time all decisions and steps in respect of the above loans, guarantees, securities and investment(s), including the timing, amount and other terms and conditions of such

loans, guarantees, securities and investment(s) and varying the same either in part or in full as it may deem appropriate and to negotiate, finalise and execute agreement(s) or such other document(s), by whatever name called and to do all acts, matters and things as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members and to delegate all or any of the powers or authorities herein conferred to any director(s) or other officer(s) of the Company, and to engage any advisor, consultant, agent or intermediary, as may be deemed necessary."

By Order of the Board
For **Rainbow Children's Medicare Limited**

Shreya Mitra
Company Secretary and Compliance Officer
M. No: A54901

Place: Hyderabad
Date: May 24, 2025

Registered Office:
8-2-120/103/1, Survey No. 403, Road No. 2,
Banjara Hills, Hyderabad – 500034, Telangana.
CIN: L85110TG1998PLC029914;
E-Mail: companysecretary@rainbowhospitals.in
Website: www.rainbowhospitals.in;
Telephone No: +91 40 49692244

NOTES:

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, as amended from time to time ("**Act**") setting out the material facts concerning the special business forms part of this Notice. Additional information, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**Listing Regulations**") and Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India, is furnished as an Annexure to the Notice.
2. The Ministry of Corporate Affairs ("**MCA**") vide its circulars dated General Circular Nos. 14/ 2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, latest being 09/ 2024 dated September 19, 2024 and all other relevant circulars issued from time to time ("hereinafter referred as **MCA Circulars**"), read with Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 issued by the Securities and Exchange Board of India ("**SEBI**"), from time to time (hereinafter collectively referred to as "the **Circulars**"), permitted the holding of the Annual General Meeting ("**AGM**") through VC/ OAVM, without the physical presence of the Members at a common venue. Accordingly, the AGM of the Company is being held through VC/OAVM. The facility of VC/OAVM and also casting votes by a member using remote e-Voting as well as e-Voting system on the date of the AGM will be provided by National Securities Depository Limited ("**NSDL**"). The Registered Office of the Company shall be deemed Venue for the AGM.
3. In compliance with the aforesaid Circulars, the Notice of AGM along with the Annual Report 2024-25 ("**Annual Report**") is being sent only by electronic mode to those Members whose email address are registered with the Company/ RTA/ Depositories. Further, a letter providing a weblink for accessing the Integrated Annual Report for the financial year 2024-25 will be sent to those shareholders who have not registered their email address. Members may please note that this Notice and Annual Report will also be available on the Company's website at www.rainbowhospitals.in websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

Members who have not registered their e-mail address are requested to register the same with the Depository Participant(s) where they maintain their demat accounts. However, a member is also entitled

for getting the hard copy of the Notice along with the Annual Report upon making a request via. email to companysecretary@rainbowhospitals.in.

4. The Notice of AGM and Annual Report will be sent to those Members/ beneficial owners whose name will appear in the Register of Members/ list of beneficiaries received from the Depositories as on June 6, 2025.
5. Pursuant to the provisions of the MCA Circulars, Members attending the 27th AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

As the AGM is being held through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. However, Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and cast their votes through remote e-Voting or e-voting during the AGM, as the case may be.

6. Institutional/ corporate shareholders (i.e. other than individuals, HUF's, NRI's, etc.) intending to participate through their authorized representative(s) are requested to send a scanned copy (JPEG/ PDF format) of their Board resolution/ authority letter/ power of attorney, etc. authorizing their representative(s) to participate in the AGM (through VC/ OAVM) and to vote on their behalf through remote e-voting or e-voting during the AGM. The said resolution/ authority letter/ power of attorney, etc. shall be sent through registered email address to the Scrutinizer at mail@bscslp.com with a copy marked to evoting@nsdl.com and to the Company at companysecretary@rainbowhospitals.in. Institutional shareholders/ Corporate Shareholders (i.e. other than individuals, HUF, NRI, etc.) can also upload their Board Resolution/ Power of Attorney/ Authority Letter, etc. by clicking on "Upload Board Resolution/ Authority Letter" displayed under "e-Voting" tab in their login on the NSDL portal.
7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the NSDL's e-Voting website at www.evoting.nsdl.com. The facility of participation in the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee,

Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

8. Relevant documents referred to in the accompanying Notice and the statement pursuant to Section 102(1) of the Companies Act, 2013 shall be available for inspection through electronic mode, basis on the request being sent via. email to companysecretary@rainbowhospitals.in

The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, Register of Contracts or Arrangements in which directors are interested under Section 189 of the Act and a certificate from Secretarial Auditor certifying that "Rainbow Children's Medicare Limited - Employees Stock Unit Plan 2023" and "Rainbow Children's Medicare Limited - Employee Stock Option Scheme 2025" are being implemented in accordance with, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB SE Regulations**") will be made available electronically for inspection by the members during the AGM.

9. The Final Dividend on equity shares as recommended by the Directors of the Company for the Financial Year ended March 31, 2025, if declared at the AGM, will be paid on or before Sunday, August 3, 2025 to those members whose names appear in the Register of Members as on Saturday, June 28, 2025 i.e., the record date. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as at the close of business hours on Saturday, June 28, 2025 as per the details furnished by the depositories viz. NSDL/ Central Depository Services (India) Limited ("**CDSL**") for the purpose as on that date.
10. Pursuant to Listing Regulations, the Company is required to maintain bank details of its Members for the purpose of payment of Dividend etc. Members are requested to register/ update their bank details with their Depository Participants, to enable expeditious credit of the dividend to their bank accounts electronically.
11. Members who have not claimed their Dividend till date are requested to do so. Details of unclaimed dividend amount is available under investors section of the website of the Company at <https://www.rainbowhospitals.in/investors-relations/dividend>
12. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("**IEPF**"). Further, all the shares in

respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to the demat account of IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

13. Pursuant to the SEBI Circulars on Nomination in Trading and Demat Accounts, the Members holding shares in dematerialized mode are requested to register/ update their nominee details with their Depository Participants.
14. Members desiring any information/ clarification on any matter to be placed at the AGM are requested to write to the Company at companysecretary@rainbowhospitals.in at least 7 days before AGM from their registered email address mentioning their name, DPID Client ID/ folio no. and mobile number to enable the management to keep information ready at the AGM.
15. The Board of Directors of the Company have appointed Mr. K.V.S. Subramanyam, (C P No.: 4815), failing him Ms. Soumya Dafthatdar (CP No. 13199), Practicing Company Secretaries and Designated Partners of M/s. KVSS & CO. LLP (Formerly BS and Co LLP), a Practicing Company Secretary Firm as Scrutinizer to scrutinize the remote e-voting process and e-voting during the AGM in a fair and transparent manner. Upon completion of the scrutiny of the votes cast, the Scrutinizer will submit his report to the Chairperson of the Company or to any other person authorized by him not later than two (2) working days from the conclusion of AGM.
16. SEBI vide its Master Circular SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 20, 2023, has introduced Online Dispute Resolution (ODR), which is in addition to the existing SCORES platform which can be utilized by the investors and the Company for dispute resolution. Please note that the investors can initiate dispute resolution through the ODR portal only after exhausting the option to resolve dispute with the Company and on the SCORES platform.
17. The process for initiation of Dispute Resolution process is enumerated below:
 - An investor/ client shall first take up his/ her grievance with the Market Participant by lodging a complaint directly with the concerned Market Participant;
 - If the grievance is not redressed satisfactorily the investor/shareholder may escalate the same through the SCORES Portal (www.scores.gov.in) in accordance with SCORES Guidelines;

- If the investor/client is still not satisfied with the outcome, he/she can initiate dispute resolution through the ODR Portal. Alternatively, the investor/client can initiate dispute resolution through the ODR Portal if the grievance lodged with the concerned Market Participant was not satisfactorily resolved or at any stage of the subsequent escalations (prior to or at the end of such escalation/s). For more information shareholders are requested to visit the weblink <https://smartodr.in/login>.

18. Members can also provide their feedback on the Shareholders Services of the Company by filling the "Shareholders Satisfaction Survey" attached to this notice and emailing the same at companysecretary@rainbowhospitals.in through their registered e-mail ID or sending the signed copy at the Corporate Office of the Company at 8-2-19/1/A, Daulet Arcade, Road No. 11, Banjara Hills, Hyderabad – 500034, Telangana.

Your feedback will help the Company in improving its Shareholders Service Standards.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER: -

- To comply with the provisions of Section 108 of the Act and Rules framed thereunder, Regulation 44 of the Listing Regulations, Secretarial Standard - 2 issued by the Institute of Company Secretaries of India and MCA Circulars, the Members are provided with the facility to cast their vote electronically through remote e-voting (prior to AGM) and e-voting (during the AGM) services provided by NSDL on all resolutions set forth in this Notice.

Only those Members who will be present in the AGM through VC/ OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

- The remote e-voting period begins on Tuesday, July 1, 2025 at 09:00 A.M and ends on Friday, July 4, 2025

at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is casted by the shareholder, the same shall not be allowed to be changed subsequently.

- The Members, whose names appear in the Register of Members/ Beneficial Owners as on the record date (cut-off date) i.e., Saturday, June 28, 2025 may cast their vote electronically.

A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, June 28, 2025. In case of joint holders, the members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to the NSDL e-voting system.

Step 2: Cast your vote electronically on NSDL e-voting system.

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	- For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.
NSDL Mobile App is available on    	
Individual Shareholders holding securities in demat mode with CDSL	Users who have opted for CDSL Easi/ Easiest facility, they can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users of Easi/ Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.

Type of Shareholders	Login Method
	- After successful login, the Easi/ Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. - If the user is not registered for Easi/ Easiest, option to register is available at CDSL website www.cdslindia.com and click on login and New System Myeasi Tab and then click on registration option. - Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature i.e., NSDL. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login"

which is available under 'Shareholder/ Member' section.

- A new screen will open. You will have to enter your User ID, your Password/ OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the depositories for getting the electronic copy of this notice along with Annual Report, procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to companysecretary@rainbowhospitals.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
2. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/ OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/ OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/ OAVM link" placed under **"Join Meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/ OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Members are requested to allow camera option and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

General Guidelines for shareholders:

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
2. Members who would like to ask questions during the AGM may register themselves as a speaker by sending their request along with the question from their registered e-mail address mentioning their name, DP ID and Client ID/Folio number, PAN, mobile number at companysecretary@rainbowhospitals.in, from June 27, 2025 (9:00 AM. IST) to June 30, 2025 (5:00 PM. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or send a request at evoting@nsdl.com or contact Ms. Prajakta Pawle, executive, NSDL at evoting@nsdl.com or call on toll free no.: 022 - 4886 7000 or write at NSDL, T301, 3rd Floor, Naman Chambers, G Block, Plot No- C-32, Bandra Kurla Complex, Bandra East, Mumbai- 400051.
4. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. June 28,

2025 may obtain the login ID and password by sending a request at evoting@nsdl.com or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on 022 - 4886 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. June 28, 2025 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

Declaration of Results

1. The Scrutinizer shall provide, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or in his absence, a person authorised by him in writing who shall countersign the same and declare the result of the voting forthwith.
2. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.rainbowhospitals.in and on the website of NSDL at www.evoting.nsdl.com immediately after the result declared by the Chairman or any other person authorized by the Chairman and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed. Also, the results shall be placed at the Registered and corporate office of the Company.
3. The recorded transcript of the proceeding of AGM shall be placed on the Company's website at www.rainbowhospitals.in.

INFORMATION AT A GLANCE

Particulars	Details
Time and date of AGM	11:30 A.M IST, Saturday, July 5, 2025
Mode	Video conference and other audio-visual means
Participation through video-conferencing	https://eservices.nsdl.com
Helpline number for VC participation	022 - 4886 7000
Cut-off date for-voting	June 28, 2025
E-voting start time and date	At 9:00 AM on Tuesday July 1, 2025
E-voting end time and date	At 5:00 PM on Friday, July 4, 2025
E-voting website	https://www.evoting.nsdl.com/
Name, address and contact details of e-voting service provider	Ms. Prajakta Pawle, Executive, NSDL at evoting@nsdl.com Address: T301, 3 rd Floor, Naman Chambers, G Block, Plot No- C-32, Bandra Kurla Complex, Bandra East, Mumbai- 400051. Contact Details: 022 - 4886 7000 or send a request to evoting@nsdl.com
Name, address and contact details of Registrar and Transfer Agent	Mr. SV Raju, Deputy Vice President and Mr. Balaji Reddy, Senior Manager, KFin Technologies Limited (formerly known as KFin Technologies Private Limited) Address: Selenium, Tower-B Plot 31 and 32, Financial District Nanakramguda, Serilingampally Hyderabad, Rangareddi 500 032 Telangana, India Contact Details: 18003094001 Website: www.kfintech.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

The Board of Directors of the Company in their meeting held on May 24, 2025, on recommendation by the Audit Committee, appointed M/s. Lavanya & Associates as the Cost Auditors for the Financial Year 2025-26 at a remuneration of ₹ 2,00,000/- (Rupees Two Lakhs Only) per annum plus applicable taxes and out of pocket expenses.

M/s. Lavanya & Associates have applied for the formation of a new LLP under the name "Lavanya and Associates LLP" and have obtained name approval from the Institute of Cost Accountants of India (ICMAI). The registration process with the Ministry of Corporate Affairs (MCA) is currently in progress. Upon completion of the incorporation and receipt of MCA approval, the appointment shall be deemed to have been made in favour of "Lavanya and Associates LLP" as the Cost Auditors for the Financial Year 2025-26, as if the said LLP had been appointed in place of the existing firm.

Pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder, the remuneration payable to the cost auditors is to be ratified by the Members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested (to the extent of their shareholding in the Company, if any), financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board considers the remuneration payable to the Cost Auditors as fair and recommends the resolution contained in Item No. 4 of the accompanying notice for approval of the members as an Ordinary Resolution.

ITEM NO. 5

In accordance with the provisions of Section 204(1) of the Companies Act, 2013 (the "**Act**") read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to annex with its Board's Report, a Secretarial Audit Report submitted by a Company Secretary in whole time practice. Further, pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), every listed entity and its material unlisted subsidiaries incorporated in India shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report, with the annual report of the listed entity.

The said Regulation 24A was amended w.e.f. December 13, 2024 vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 and further provides that an Individual can be appointed as Secretarial Auditor for not more than

one term of five consecutive years subject to obtaining shareholders' approval.

Mr. K.V.S. Subramanyam is a Fellow Member of the Institute of Company Secretaries of India and holds graduate degrees in Science and Law. He is a peer-reviewed Company Secretary with 21 years of experience in the fields of Corporate Laws, Business Administration, and Wealth Management. Further, he has furnished his eligibility and expressed his willingness to be appointed as the Secretarial Auditor for a term of five consecutive years, from the financial year 2025-26 to the financial year 2029-30.

The Board of Directors of the Company in their meeting held on May 24, 2025, recommended appointment of Mr. K.V.S. Subramanyam, Company Secretary in practice, a peer reviewed Company Secretary as Secretarial Auditor for one term of five consecutive years starting from the financial year 2025-26 to the financial year 2029-30. The proposed remuneration to be paid to Secretarial Auditor for the Financial Year 2025-26 is ₹ 3,00,000/- (Rupees Three Lakhs Only) excluding applicable taxes and out of pocket expenses. The remuneration for the subsequent year(s) of his term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee.

Accordingly, the Board of Directors recommends the resolution as set out at Item No. 5 of this Notice for approval of the Members of the Company as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested (to the extent of their shareholding in the Company, if any), financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

ITEM NO. 6

The Members of the Company in their Extra-Ordinary General Meeting held on November 3, 2021, approved payment of commission to the Non-executive Directors (including Independent Directors) subject to a maximum of ₹ 10,00,000/- (Rupees Ten Lakhs Only) per annum per Director.

The role of directors has notably evolved with the Company's growth, demanding deeper strategic involvement and stronger oversight. The continuous changes in legal and regulatory frameworks have further increased their responsibility to ensure compliance and uphold ethical standards. Additionally, the increasingly competitive business environment and stricter corporate governance norms have added complexity to their roles, with greater emphasis on risk management and effective supervision.

Recognizing these evolving dynamics and the resultant responsibilities placed on directors, the Board, at its meeting

held on May 24, 2025, based on the recommendation of the Nomination & Remuneration Committee, has proposed an increase in the remuneration of Non-Executive Directors (including Independent Directors) from ₹ 10,00,000/- (Rupees Ten Lakhs only) per annum per director to a maximum of ₹ 18,00,000/- (Rupees Eighteen Lakhs only) per annum per director with effect from the Financial Year 2025 - 26.

In addition to the aforesaid remuneration, all Non-executive directors (including Independent Directors) of the Company shall also be entitled to sitting fees for attending meeting(s) of the Board or any committee, and reimbursement of the expenses for attending meetings of the Board and its committee thereof, as permissible under the Companies Act, 2013 and/ or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**").

In terms of Regulation 17 of the SEBI Listing Regulations, approval of members in general meeting is required for payment of all compensation to non-executive directors. Further, pursuant to the provisions of section 197 and other applicable provisions of the Act, a company may pay remuneration to all its Non-executive Directors upto 1% of the net profits of the company calculated in accordance with the provisions of section 198 of the Act, subject to approval of its members by way of an Ordinary Resolution.

The aforesaid proposed remuneration to Non-executive Directors (including Independent Directors) shall remain within the limit of 1% of the net profits of the Company calculated in accordance with the provisions of the section 198 of the Act.

Accordingly, the Board of Directors recommends the resolution as set out at Item No. 6 of this Notice for approval of the Members of the Company as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested financially or otherwise in the passing of resolution, except Non-executive Directors (including Independent Directors) to the extent of their respective commissions.

ITEM NO. 7

The Company has been making investments in, giving loans and guarantees to and providing securities in connection with loans to various persons and bodies corporate (including its subsidiaries) from time to time, in compliance with the applicable provisions of the Companies Act, 2013 ('the **Act**').

As per Section 186(2) of the Act, no company shall directly or indirectly **(a)** give any loan to any person or other body corporate; **(b)** give any guarantee or provide security in connection with a loan to any other body corporate or person; and **(c)** acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

As per Section 186(3) of the Companies Act, 2013, where the aggregate of the loans and investment so far made, the amount for which guarantee or security so far provided to or in all other bodies corporate along with the investment, loan, guarantee or security proposed to be made or given by the Board, exceed the limits specified under sub-section (2), no investment or loan shall be made or guarantee shall be given or security shall be provided unless previously authorised by a special resolution passed in a general meeting. Provided that where a loan or guarantee is given or where a security has been provided by a company to its wholly owned subsidiary company or a joint venture company, or acquisition is made by a holding company, by way of subscription, purchase or otherwise of, the securities of its wholly owned subsidiary company, the requirement of this sub-section shall not apply.

In view of the above and considering the long-term business plans of the Company, it is proposed to seek prior approval of the Members vide an enabling resolution to provide loans, guarantees and make investments over and above the limits prescribed under Section 186 in the manner outlined in the resolution.

Accordingly, the Board of Directors recommends the resolution as set out at Item No. 7 of this Notice for approval of the Members of the Company as a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested (to the extent of their shareholding in the Company, if any), financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

By Order of the Board
For **Rainbow Children's Medicare Limited**

Shreya Mitra
Company Secretary and Compliance Officer
M. No: A54901

Date: May 24, 2025

Place: Hyderabad

BRIEF PROFILE OF DIRECTOR AND INFORMATION REQUIRED PURSUANT TO REGULATION 36(3) OF LISTING REGULATIONS READ WITH SECRETARIAL STANDARD FOR GENERAL MEETINGS (SS-2) ARE GIVEN BELOW:

Name	Dr. Dinesh Kumar Chirla
DIN	01395841
Date of Birth (Age in Years)	December 19, 1969 (55 Years)
Date of First Appointment to the Board	December 14, 2005
Brief Resume, Qualification, Nature of Expertise and skill set require in specific functional areas	Dr. Dinesh Kumar Chirla is one of the promoters of the company and has been on the Board since 2005. He completed his MBBS in 1990 and MD (Pediatrics) in 1994 from Marathwada University, followed by DM (Neonatology) from Bombay University in 1998. He earned MRCPCH (2002), CSST in Neonatology (2003), and FRCPCH (2015) from the Royal College of Paediatrics, UK. He was conferred FNNF by the National Neonatology Forum in 2018 and FIAP by the Indian Academy of Pediatrics in 2024. After completing his training in India, he pursued a Neonatology Fellowship at Mercy Hospital, Melbourne. He then worked as a Senior Clinical Fellow in Neonatology at St. Michael's Hospital, Bristol, and completed a Fellowship in Paediatric Intensive Care at Bristol Children's Hospital, UK, before returning to India. He is the Director of Intensive Care at the Rainbow Group, a Gold Medallist with numerous awards, and has authored 75 research publications and contributed to several textbooks. He played a key role in setting a Guinness World Record for the largest gathering of preterm babies and a LIMCA Record for saving South Asia's smallest baby (375g). He also established the largest Neonatal and Paediatric Emergency Transport Network and pioneered the use of HFOV during transport. He was Secretary combined AP NNF, President-TS NNF 2018, Joint Secretary NNF 2021-22. He was Chairperson -IAP intensive Care chapter 2023 and is a VICE PRESIDENT NNF 2024. He has organized numerous national and international conferences and workshops in Neonatology and Pediatric Intensive Care. Actively involved in academics, he conducted the Ventilation Series locally and the NOEL (NNF Online Education & Learning) series nationally for fellows. He is a regular invited faculty, including orations, at major conferences. A Founding Trustee of the Heal a Child NGO, he has also received the Best Doctor award for his contributions.
Shareholding (as on the date of this Notice) in the Company either directly or in form of beneficial interest for any other person	• 66,33,310 Equity Shares - Directly • 10,40,000 Equity shares through Sai Geeta Dinesh Trust (Dr. Dinesh Kumar Chirla is the settlor of the trust)
Relationship with other Directors & KMP's	None
No. of Meetings of the Board attended during the year 2024-25.	5 (Five) Meetings
Directorships held in other Companies	• Rainbow Speciality Hospitals Private Limited • Rosewalk Healthcare Private Limited • Rainbow Children's Hospital Private Limited • Rainbow Women & Children's Hospital Private Limited • Rainbow Fertility Private Limited • Rainbow Advanced Health Sciences Private Limited
Listed entities from which the person has resigned from the directorship in the past three years	Nil

Name	Dr. Dinesh Kumar Chirla
Membership/ Chairmanship of Committees of other companies	Nil
Terms and conditions of appointment/ re-appointment and Remuneration sought to be paid/ last drawn	Terms and conditions of appointment and Remuneration sought to be paid: Same as approved by the Shareholders in their Annual General Meeting held on July 30, 2024. Remuneration last drawn: As mentioned in the Corporate Governance Report forming part of the Annual Report for the Financial Year 2024-25.

By Order of the Board
For **Rainbow Children's Medicare Limited**

Shreya Mitra
Company Secretary and Compliance Officer
M. No: A54901

Date: May 24, 2025

Place: Hyderabad

Registered Office:

8-2-120/103/1, Survey No. 403, Road No. 2,
Banjara Hills, Hyderabad – 500034, Telangana.

CIN: L85110TG1998PLC029914; **E-Mail:** companysecretary@rainbowhospitals.in

Website: www.rainbowhospitals.in; **Telephone No:** +91 40 49692244



RAINBOW CHILDREN'S MEDICARE LIMITED

Corporate Identity Number: L85110TG1998PLC029914

Regd. Office: 8-2-120/103/1, Survey No. 403, Road No. 2, Banjara Hills, Hyderabad – 500034, Telangana.

Corporate Office: 8-2-19/1/A, Daulet Arcade, Road No. 11, Banjara Hills, Hyderabad - 500034, Telangana.

Website: www.rainbowhospitals.in; **E-Mail:** companysecretary@rainbowhospitals.in

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Shareholder Satisfaction Survey

Dear Member,

As part of our constant endeavour to improve Shareholders service, we seek your feedback on this Shareholder's Satisfaction Survey. Please spare a few minutes of your valuable time to fill this questionnaire.

Name of Sole/First Shareholder

DP ID & Client ID/Folio Number

Email ID

Kindly rate your responses on specified service areas listed below on the following scale:

S. No	Area	Rating				
		5	4	3	2	1
1.	Overall Service Rating of RTA					
2.	Response to queries/grievances by Company/RTA					
3.	Receipt of various documents from the Company i.e. Annual Report, ECS Intimation etc.					
4.	Quality of disclosures to Stock Exchanges/on Company Website					
5.	Quality and content of Annual Report					

5- Excellent; 4-Very Good; 3-Good; 2-Satisfactory; 1-Need Improvement

Do you have any grievance which has not been addresses so far : Yes ☐ No ☐

If yes, please provide a brief summary of the grievance.

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Any suggestions for improving the quality of Investor Services

.....

.....

(SIGNATURE OF THE MEMBER)

THANK YOU FOR YOUR SUPPORT. YOUR FEEDBACK IS IMPORTANT TO US.



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