Rainbow® Children's Hospital

It takes a lot to treat the little.

25 Years of

Defining Moments & Nurturing Smiles

INTEGRATED ANNUAL REPORT

2023-24

CELEBRATING THE 25 Years MILESTONE

Rainbow Hospitals has been a beacon of healing and hope, nurturing countless lives with expertise and compassion. From our humble beginnings, we have grown into India's leading paediatric and perinatal care network, steadfast in our commitment to clinical excellence. Celebrating 25 fulfilling years, we reaffirm our dedication to the healthcare of children and women, continuing to inspire trust and touch lives across the nation.

Rainbow Children's Hospital at Banjara Hills, Hyderabad and Marathahalli, Bengaluru have proudly earned the prestigious 'Gold Seal of Approval' from Joint Commission International (JCI), making Rainbow the first paediatric hospital in India to receive this honour. Additionally, BirthRight Fertility, Kondapur, Hyderabad has made history as India's first standalone fertility centre to achieve JCI Accreditation. These recognitions highlight our unwavering commitment to quality, patient safety, and adherence to rigorous standards in medical care.

JOINT COMMISSION INTERNATIONAL QUALITY APPROVAL

A testament to our **Gold Standard** in Exceptional patient care.

25 years of Defining Moments & Nurturing Smiles

Dr. Ramesh Kancharla received Lifetime Achievement Award at Times Health Excellence Awards

Investment in Company by CDC Group, UK

Expanded footprints in New Delhi with Madhukar Rainbow Hospital

Expanded footprints in Tamil Nadu with Guindy Hospital, Chennai

Started operations with 1st hospital in Hyderabad, Telangana

Expanded footprints in Andhra Pradesh with Vijayawada Hospital

Established Pure Little Hearts Foundation

Listing on the stock exchanges - NSE and BSE

Expanded footprints in Karnataka with Marathalli Hospital, Bengaluru

Guinness Book of World Record Holder for the largest gathering of people born prematurely

Hosted the prestigious International Conference ISPGHANCON Event

Received prestigious JCI Accreditation for Banjara Hills Hospital, Hyderabad (2023) and Marathalli Hospital, Bengaluru (2024)

What's Inside?

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Scan the QR code to know more about the Company

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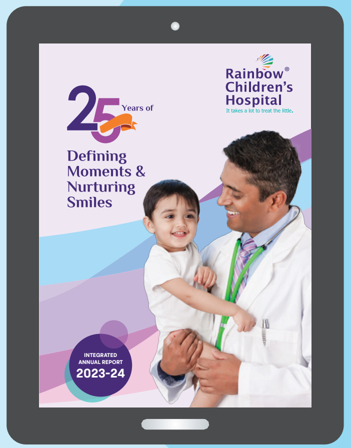
03 Financial Statements

"AS WE CONTINUE TO SUCCESSFULLY EXECUTE OUR STRATEGIC OBJECTIVES, I AM CONFIDENT IN OUR ABILITY TO ACCELERATE GROWTH MOMENTUM AND CAPTURE FORTHCOMING OPPORTUNITIES"

INTRODUCING OUR INTEGRATED REPORT



About our Report

This is the third 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 maximise value creation, and our governance practices.

Reporting Period and Scope

The quantitative and qualitative disclosures in this Report are for the financial year April 1, 2023 to March 31, 2024. 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.

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

WWW

Website

www.rainbowhospitals.in

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 deviate 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.

INTRODUCING OUR INTEGRATED REPORT

Our Reporting Theme

25 Years of Defining Moments and Nurturing Smiles

In 1998, Rainbow Children's Medicare Limited set out to revolutionise paediatric healthcare in India through the delivery of highly specialised ICU and specialty services. Over the past 25 years, this vision has become a reality, establishing Rainbow as a leading paediatric multi-specialty and perinatal care hospital chain in the country.

Our journey has been defined by an unwavering commitment to clinical excellence and compassionate care. We also recognised the importance of providing comprehensive healthcare services, encompassing everything from perinatal care to all stages of a child's growth. This holistic approach has distinguished us as pioneers in the Indian healthcare sector, setting new benchmarks for quality and patient satisfaction.

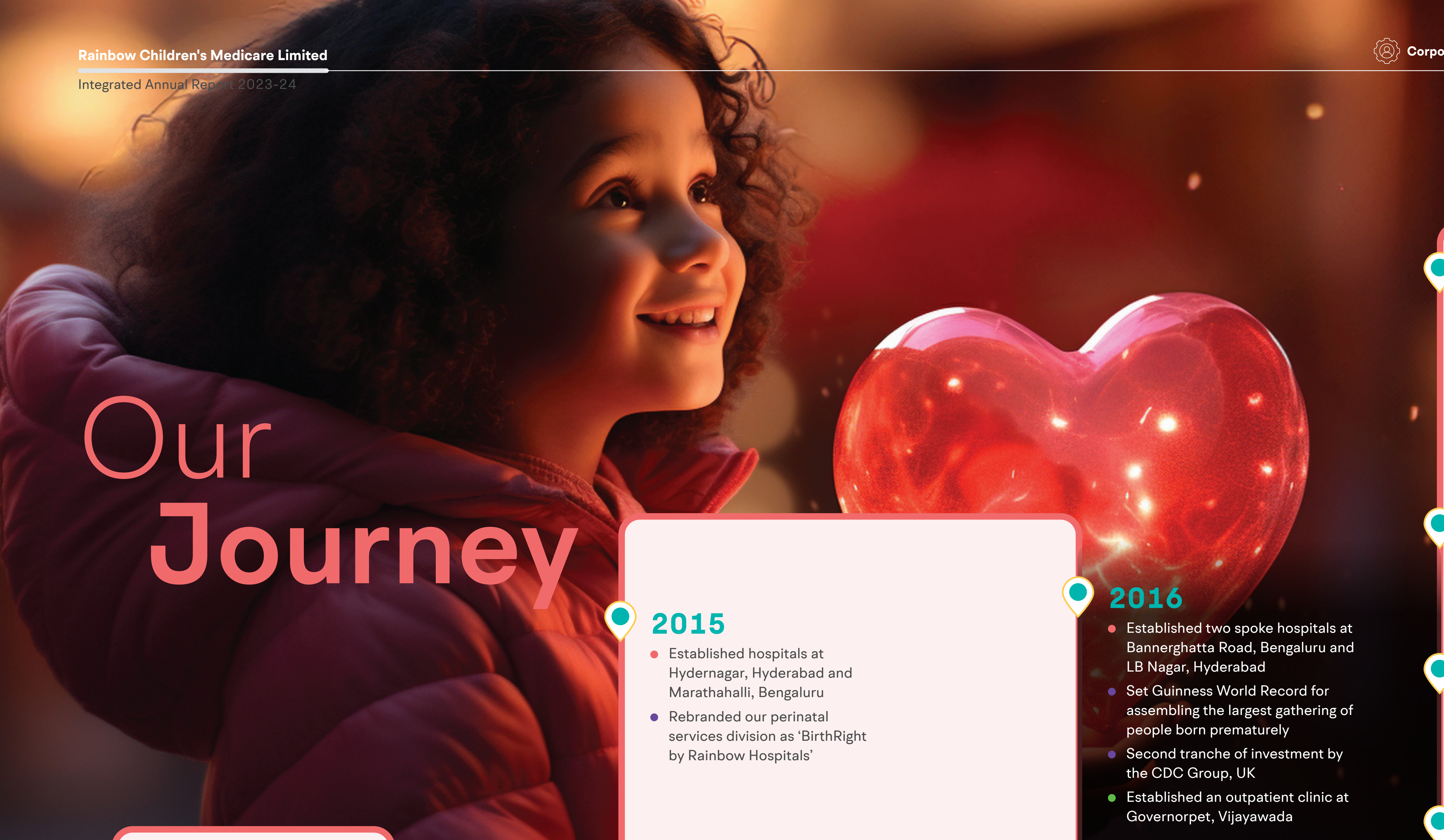
As we celebrate our 25th anniversary, we reflect on the countless smiles we have nurtured. Our greatest reward lies in the joy and peace of mind experienced by our patients and their families. Our expertise has enabled us to manage complex medical cases, including organ transplants, intricate cardiac and neurosurgical operations, and the care of premature babies, with both precision and compassion.

Our hospitals are more than just healthcare facilities – they are centers of healing and hope. Designed to inspire joy and resilience, our hospitals create environments where children can thrive while receiving the best possible care. Our success is built on a foundation of innovative practices, including a 24x7 doctor engagement model, multidisciplinary care teams, and an extensive hub-and-spoke system that ensures comprehensive coverage across cities.

By integrating the latest medical technologies and pioneering treatment modalities, we continuously push the boundaries of paediatric and perinatal healthcare. Our steadfast focus on driving continuous professional development ensures that our team stays at the cutting-edge of medical advancements, allowing us to deliver optimal outcomes for our patients.

Looking ahead,

we remain resolute in our dedication to fostering the well-being of mothers, foetuses, newborns, and children. With a strong foundation and firm commitment, we are poised to expand our services to more parts of the country, making a meaningful difference in the lives of more patients and their families. As we continue our journey, we are profoundly grateful for the trust and support of our stakeholders, which inspire us to strive for excellence and to nurture more smiles.



Our Journey

1999
- Started operations with first hospital at Banjara Hills, Hyderabad

2006
- Started DNB paediatric training programme at Banjara Hills, Hyderabad

2007
- Established hospital at Vijayawada
- Broadened our services to include obstetrics and gynaecology

2009
- First spoke hospital established at Vikrampuri, Hyderabad

2010
- Started first outpatient clinic at Madhapur, Hyderabad

2013
- Established hospital at Kondapur, Hyderabad
- Secured investment from CDC Group, UK

2015
- Established hospitals at Hydernagar, Hyderabad and 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 into North India with Madhukar Rainbow Children's Hospital at Malviya Nagar, New Delhi

2018
- Expanded into Chennai by establishing a hospital at Guindy

2019
- Started IVF facility at Kondapur, Hyderabad
- Established standalone Cardiac Hospital at Hyderabad (RCHI)
- Acquisition of Rosewalk Healthcare Private Limited, New Delhi

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

2021
- Started liver transplant services at Banjara Hills, Hyderabad
- Established an outpatient clinic at Kailash Metta, Visakhapatnam

2022
- Listed on BSE and NSE
- Added a spoke hospital at Sholinganallur, Chennai
- Received JCI accreditation for BirthRight Fertility, Kondapur, Hyderabad

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 and now offers IVF services at 11 hospitals

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

INSIGHTS INTO OUR COMPANY

About Us

Incorporated in 1998, Rainbow Children's Medicare Limited (Rainbow) has emerged as one of India's leading paediatric multi-specialty and perinatal care hospital chain. Our unwavering commitment to delivering comprehensive and highly specialised healthcare services defines our success and growth.

Core Services and Specialties

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

- Newborn and Paediatric Intensive Care
- Paediatric Multi-Specialty Services
- Paediatric Quaternary Care (including organ transplantation)

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

- Routine to Complex Obstetric Care
- Multi-Disciplinary Foetal Care
- Perinatal Genetics
- Fertility Care
- Gynaecology Services

Commitment to Excellence

Our commitment to exceptional patient care is demonstrated through our multi-disciplinary approach, round-the-clock consultant-led services, and child-centric hospital environment. We take pride in our best-in-class infrastructure and embrace innovation and technology to enhance patient care and outcomes.

Pioneering Healthcare Models

As pioneers of the standalone multi-specialty paediatric and perinatal care concept in India, we continue to build on our successful and niche operating model. Currently, we operate 19 hospitals with a total of 1,935 beds and 4 clinics. Our expansion strategy is focused on extending our reach to new geographies, thereby enhancing service accessibility for patients across the country.

Hub-and-Spoke Model

We follow a hub-and-spoke operating model where the hub hospital provides comprehensive outpatient, inpatient care, with a focus on tertiary and quaternary services while the spokes provide 24/7 emergency care in paediatrics and obstetrics, large outpatient services and comprehensive obstetrics, paediatric and level 3 NICU services.

Continuous Growth and Innovation

Our strategic initiatives are aimed at meeting the evolving healthcare needs of our communities and expanding our footprint. By upholding our commitment to excellence, we remain focused on reinforcing our leadership position in paediatric and perinatal care.

Our Vision

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

Our Mission

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

Our Accreditations

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

- India's first paediatric 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 awarded JCI Accreditation

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

- 12 NABH-accredited hospitals

INSIGHTS INTO OUR COMPANY

Key Figures

25
Years of excellence

6
Cities

19
Hospitals

1,935
Bed capacity

4
Out-patient clinics

~1/3
Bed capacity allocated to critical care

800+
Doctors (Including full-time residents and DNB)

~4,000
Employees

FY 2023-24
Performance Dashboard

3
New hospitals launched

280
Bed capacity added, the highest in a single year

1
Outpatient clinic opened at Hennur, Bengaluru

8
Hospitals adding IVF services to its offerings

87,736
In-patient admissions
Y-O-Y 1%

7,088
Paediatric Surgical procedures
Y-O-Y 11%

7,579
Gynaecology surgeries
Y-O-Y 14%

15,798
Deliveries
Y-O-Y 7%

12,77,087
Out-patient visits
Y-O-Y 3%

₹ 12,969 Million
Revenue from operations
Y-O-Y 10.5%

₹ 4,289 Million
EBITDA
Y-O-Y 8.2%

₹ 2,183 Million
PAT
Y-O-Y 2.8%

INSIGHTS INTO OUR COMPANY

Our Strengths

Focused Child-Centric Healthcare Network

Our hospital environment is meticulously designed with children in mind, featuring vibrant interiors and dedicated play areas that foster emotional well-being and promote faster recovery for paediatric patients. Our medical team places a strong emphasis on the psychological well-being of children, ensuring all interactions are gentle and soothing.

Multi-Disciplinary Paediatric Care

Recognising that children often face complex and undiagnosed health issues, we have ensured the availability of all paediatric super-specialties under one roof. Our comprehensive treatment capabilities range from secondary care to Level 4 NICUs and transplant ICUs, providing us with a significant competitive edge through our clinical expertise and integrated care approach.

Unique Doctor Engagement Model

Our growth and success are significantly attributed to our ability to attract and retain seasoned doctors and high-quality medical professionals. Our doctors work full-time exclusively with us, operating in cohesive teams committed to around-the-clock availability for emergencies, neonatal care, paediatric intensive care, and paediatric retrieval services. This full-time consultant-led model is fundamental to the seamless delivery of our healthcare services.

Comprehensive Perinatal Care

We offer a continuum of care from conception through to postnatal care, including foetal scans, birthing, child vaccinations, and outpatient services. Our integrated approach enhances synergy between paediatric, obstetrics, and gynaecology services, providing efficient, one-stop healthcare solutions.

Hub-and-Spoke Hospital Network

Our hub hospitals, centrally located within cities, deliver comprehensive tertiary and quaternary care. These hubs are connected to several smaller spoke hospitals in high-growth catchment areas, focusing on providing secondary care, 24/7 paediatric and maternity emergency services, and extensive outpatient care. This hub-and-spoke model enhances service accessibility, enables financially prudent expansion, and drives operational efficiencies.

Proven Performance

We have established a strong track record of growth, operational excellence, and financial performance. Our robust balance sheet and strong operating cash flow generation position us well to self-fund our ongoing capital expenditure plans, ensuring sustainable growth.

Experienced Management

Our Board comprises professionals with a blend of expertise and technical acumen essential for guiding the realisation of our strategic vision. Our leadership team possesses extensive experience and demonstrates a strong drive to innovate and continuously improve our patient care pathways and operational management systems.

Strong ESG Focus

We integrate Environmental, Social, and Governance (ESG) factors into our decision-making processes. This not only supports our operational integrity but also drives meaningful impact in the communities we serve, ensuring our growth is responsible and sustainable.

INSIGHTS INTO OUR COMPANY

Chairman's Message

AS WE CELEBRATE 25 YEARS OF DEDICATED SERVICE AT RAINBOW CHILDREN'S HOSPITAL, OUR COMMITMENT TO CLINICAL EXCELLENCE AND PATIENT-CENTRIC CARE REMAINS STRONGER THAN EVER. OUR JOURNEY, MARKED BY NUMEROUS MILESTONES, REFLECTS OUR UNWAVERING DEDICATION TO SETTING NEW STANDARDS IN PAEDIATRIC HEALTHCARE.

Dear Shareholders,

It is with immense pleasure and gratitude that I acknowledge the 25-year milestone of Rainbow Children's Hospital. It has been an extremely satisfying journey that began with a mission to bring specialised paediatric healthcare of international standards to India.

THE PRESTIGIOUS 'GOLD SEAL OF QUALITY' FROM THE JOINT COMMISSION INTERNATIONAL AWARDED TO OUR HOSPITALS IN HYDERABAD AND BENGALURU IS A TESTAMENT TO OUR RELENTLESS PURSUIT OF HIGH STANDARDS IN PATIENT CARE. SUCH RECOGNITIONS INSPIRE US TO CONTINUOUSLY ELEVATE OUR HEALTHCARE DELIVERY.

Our journey started in 1999 when we opened our first hospital with 50 beds in Hyderabad, driven by an unwavering commitment to our mission. The effort was marked by a consistent focus on clinical excellence, backward integration into perinatal services to provide comprehensive healthcare for the mother and the child, and compassionate care in a patient-centric environment, which established us as a unique and leading paediatric multi-specialty hospital chain in the Indian healthcare sector. Today, we have 1,935 beds across 19 hospitals and 4 outpatient clinics spread across 6 Indian cities.

I am excited as we embark on the next phase of our journey. The proven resilience and success of our operating model strengthens our resolve to expand our network across the country.

Clinical Updates

I am delighted to share that two of our hospitals received the prestigious 'Gold Seal of Quality' from the Joint Commission International (JCI), affirming our commitment to high standards of patient care. Rainbow Children's Hospital, Banjara Hills, Hyderabad, became the first paediatric hospital in India to receive JCI Accreditation. In April 2024, our flagship hospital at Marathahalli, Bengaluru, was also awarded JCI accreditation. I am also pleased to share that OMR, Sholinganallur Hospital in Chennai obtained NABH accreditation within its first year of operation.

We have significantly raised the bar in paediatric critical care by offering air ambulance services, extensive ECMO services, and transplant ICU services. During the year, we retrieved five air transports to our hub hospital in Hyderabad. One such case involved a critically sick child on High-Frequency Oscillatory Ventilation (HFOV) and nitric oxide therapy, air transported from Goa. This was perhaps the first complex paediatric air transport in India.

Financial Review

FY 2024 was a year of resilient financial performance against a backdrop of seasonal headwinds. Our operating revenue reached ₹ 12,969 million, marking a 10.5% increase from the previous year. Our sharp focus on cost management without compromising on clinical outcomes and patient satisfaction, along with improving operational efficiency, helped the Company to maintain healthy financials.

Building Capacity for the Future

During the year, we commissioned 280 beds across three new spoke hospitals, one each in Hyderabad, Bengaluru and Chennai, and also added a new block to cater to demand at the existing hospital at Hydernagar in Hyderabad City. Apart from these hospitals, we opened an outpatient clinic at Hennur, Bengaluru. This is the first time that we have had such a large capacity commissioned in a short span of time. Our team has meticulously executed on the ground to ensure the timely commissioning of our projects.

Another major highlight was the introduction of IVF services at eight additional hospitals, increasing the total to 11 hospitals that now offer IVF services. This expansion has significantly enhanced our Birthright Services, enabling us to offer a comprehensive suite of women's care offerings under one roof.

Our upcoming hospitals in the southern region, comprising a spoke at Hennur, Bengaluru (~60 beds), regional spoke at Rajahmundry, Andhra Pradesh (~100 beds), and regional spoke at Coimbatore, Tamil Nadu (~100 beds), are in various stages of execution and progressing as planned. We expect to commence operations at Rajahmundry and Hennur Hospitals by the last quarter of FY 2025 and at Coimbatore

Hospital in FY 2026. Furthermore, we are in the design phase for two new hospitals in Gurugram, NCR, with a combined capacity of ~400 beds.

Medical Tourism

India, known for its advanced yet affordable healthcare services, remains a preferred medical destination for many developing countries. We are actively exploring opportunities in medical tourism, supported by a dedicated sales team and direct health cooperation agreements with governments. This year, we formed strategic alliances with the Government of the United Republic of Tanzania and the Ministry of Health, Zanzibar, to offer comprehensive specialty children healthcare services and also clinical exchange programmes in paediatric healthcare. Looking ahead, led by our focused efforts and presence in cities well-connected to international destinations such as East Africa, Indian neighbourhood and CIS countries, we anticipate a significant influx of overseas patients seeking super specialty paediatric care at our hospitals.

Digital Transformation

We are committed to providing patient-centric care and leading healthcare innovation by embracing digital and technological solutions. We have transitioned to an advanced Hospital Information System (HIS) to enhance our backend infrastructure. This new HIS operates on a robust cloud platform, providing scalability and enhanced security. Additionally, we have strengthened our digital healthcare initiatives, including video consultation services, patient portals, and the integration of electronic medical records (EMR) systems to enhance patient experiences.

RAINBOW'S COMMITMENT TO ENVIRONMENTAL, SOCIAL, AND GOVERNANCE ASPECTS REFLECTS OUR DEDICATION TO SUSTAINABLE GROWTH. OUR INITIATIVES IN ENERGY EFFICIENCY AND CORPORATE SOCIAL RESPONSIBILITY EXEMPLIFY OUR EFFORTS TO POSITIVELY IMPACT SOCIETAL HEALTH AND WELL-BEING.

We have also implemented Salesforce CRM system and deployed cloud technologies to improve sales efficiency and outcomes.

People Capabilities

Our medical professionals play a critical role in achieving our strategic and operational objectives. We take pride in having one of the best healthcare teams and have continued to enhance their expertise to ensure the highest standards of medical care. Additionally, we have onboarded proficient consultants to support the success of our existing and new units and strengthen our ability to deliver superior patient outcomes.

Our high patient satisfaction is also a testament to the dedication and commitment of our staff. We place significant emphasis on their talent development through structured training and continuous learning opportunities. This year, our recruitment initiatives have successfully attracted talent from diverse industry backgrounds to enhance our expertise and service delivery. We have added leadership teams in Corporate Sales, Projects, Nursing, Learning and Development. This foundation will help us strengthen our performance across various facets of our operations. In addition, through various initiatives, we have made significant progress in advancing diversity, equity, and inclusion across the organisation.

To steer our strategic direction in the coming years, I am pleased to announce enhancement to the Company's Board. The Board appointed Dr. Adarsh Kancharla, one of our promoters, as a Non-Executive Director. I warmly welcome the new Board member and am confident that his inclusion on the Board will help the Company build a dynamic and youthful organisational culture, significantly contributing to the next phase of our growth journey.

ESG Focus for Sustainable Growth

At Rainbow, we are committed to maintaining high performance across environmental, social, and governance aspects. As part of our efforts to drive energy efficiency, we have established solar rooftops, installed solar water heaters, and adopted Internet of Things (IoT) technology, among other measures. This year, we began sourcing renewable energy from open access systems for multiple units, further minimising our environmental footprint. Our corporate social responsibility initiatives aim to positively impact societal health and well-being.

We remain steadfast in practising the highest levels of governance, professionalism, and transparency to create long-term stakeholder value. In line with regulations and industry standards, we have a robust risk management framework.

Growth Outlook

As we continue to successfully execute our strategic objectives, I am confident in our ability to accelerate growth momentum and capture forthcoming opportunities. Our multi-faceted approach includes expanding capacity at strategic locations, strengthening IVF services, and prioritising international business expansion, among other initiatives.

Since our public listing, we have commissioned 435 beds, representing 22% of our existing bed capacity, within stipulated timelines. We remain dedicated to fulfilling our commitment to commission the remaining beds within the guided timelines. Furthermore, as new hospitals mature, they are expected to replicate the performance of our matured hospitals. While pursuing network expansion, our focus remains on adopting a targeted go-to-market approach and exploring new markets through a clinical model to assess feasibility and potential.

Given our robust balance sheet and strong cash flows, along with anticipated internal accruals in the coming years, we are confident in our ability to fund all planned capital expenditures internally without requiring debt financing. Being system-driven and predominantly operating asset-light hospitals enhances our potential to drive sustained stakeholder growth. Additionally, we remain open to actively exploring mergers and acquisitions (M&A) opportunities.

WITH A MULTI-FACETED APPROACH TO EXPANSION, A ROBUST BALANCE SHEET, AND STRATEGIC INITIATIVES, WE ARE CONFIDENT IN OUR ABILITY TO ACCELERATE GROWTH AND CAPTURE FUTURE OPPORTUNITIES. OUR FOCUS REMAINS ON DELIVERING EXCELLENT HEALTHCARE SERVICES AND DRIVING SUSTAINED STAKEHOLDER VALUE.

Acknowledgements

I extend my heartfelt gratitude to our valued stakeholders, esteemed Board Members, proficient doctors, dedicated employees, visionary management team, and everyone else who has contributed to making Rainbow what it is today. Even as I reflect on Rainbow's successful journey with pride, I firmly believe that the future holds even greater promise. With renewed commitment to our mission of delivering excellent multi-disciplinary paediatric and perinatal care services, with the ultimate goal of contributing towards a healthier nation, we are poised to usher a stronger and a sustainable future.

Thank You.

Warm regards,

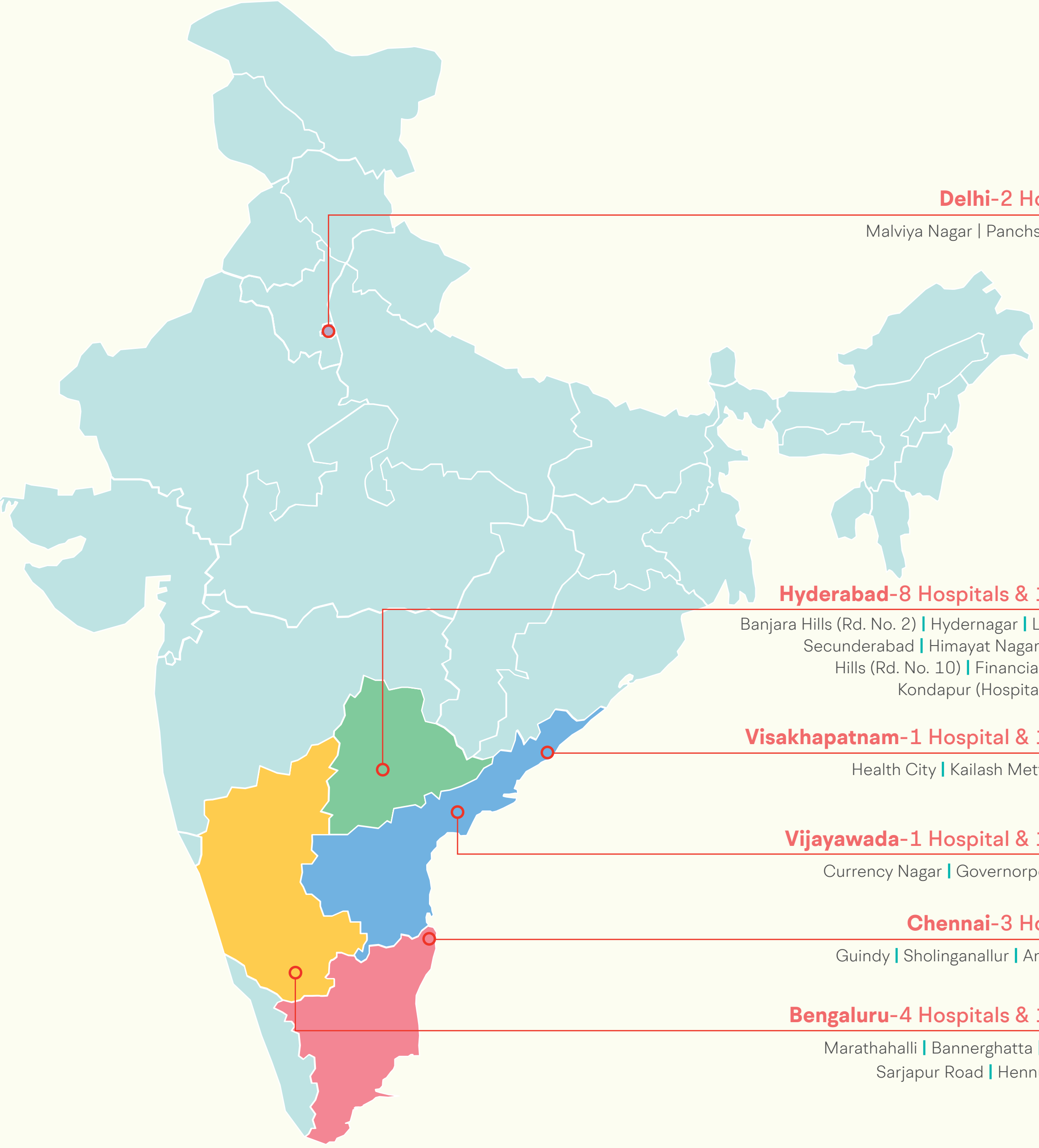
Dr. Ramesh Kancharla

Chairman and Managing Director

INSIGHTS INTO OUR COMPANY

Geographical Presence

We have established a strong presence in the South region and are now expanding our footprint in the North, with a specific focus on the National Capital Region (NCR). This strategic expansion aims to enhance our accessibility and service delivery, ensuring that more families across India can benefit from our specialised paediatric and perinatal care.



Delhi-2 Hospitals
Malviya Nagar | Panchsheel Park

Hyderabad-8 Hospitals & 1 Clinic
Banjara Hills (Rd. No. 2) | Hydernagar | LB Nagar | Secunderabad | Himayat Nagar | Banjara Hills (Rd. No. 10) | Financial District | Kondapur (Hospital & Clinic)

Visakhapatnam-1 Hospital & 1 Clinic
Health City | Kailash Metta (Clinic)

Vijayawada-1 Hospital & 1 Clinic
Currency Nagar | Governorpet (Clinic)

Chennai-3 Hospitals
Guindy | Sholinganallur | Anna Nagar

Bengaluru-4 Hospitals & 1 Clinic
Marathahalli | Bannerghatta | Hebbal | Sarjapur Road | Hennur (Clinic)

Map not to scale and used for representation only.

Hyderabad

940
Total Bed Capacity


Banjara Hills, 1999
#250


Vikrampuri, 2009
#110


Kondapur, 2013
#50


Hydernagar, 2014
#160


LB Nagar, 2016
#100


RCHI[1], Banjara Hills, 2019
#110


Financial District, 2023
#100


Himayat Nagar, 2024
#60

Bengaluru

442
Total Bed Capacity


Marathahalli, 2015
#200


BG Road, 2016
#102


Hebbal, 2020
#50


Sarjapur, 2024
#90

Chennai

270
Total Bed Capacity


Guindy, 2018
#135


Sholinganallur, 2022
#55


Anna Nagar, 2024
#80

Andhra Pradesh

259
Total Bed Capacity


Vijayawada, 2007
#130


Visakhapatnam, 2020
#129

Delhi

24$
Total Bed Capacity


Malviya Nagar, 2017
#130


Rosewalk, Panchsheel Park, 2019
#24

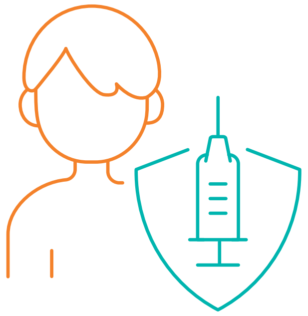
1,935
Total No. of Beds$

1 Rainbow Children's Heart Institute, Banjara Hills (Road No. 10), Hyderabad
$ Bed Count excludes the 130 beds at Malviya Nagar where Rainbow Hospitals provides Medical services
# No. of beds

INSIGHTS INTO OUR COMPANY

Our Offerings

As a comprehensive provider of paediatric and perinatal care services, we offer holistic healthcare solutions that cover the entire spectrum from fertility till conception, maternal care during pregnancy to foetal health, and from newborn care through childhood. Additionally, we provide gynaecology services. Our patients benefit from the synergies, seamless integration, and complementary nature of our services, ensuring a cohesive and comprehensive approach to their healthcare needs.



Paediatric Care

Paediatric Secondary Care

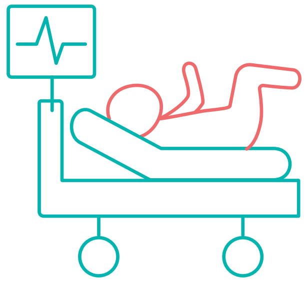
- Paediatric Outpatient Services
- Immunisations
- Developmental Screening
- Treatments for Acute and Seasonal Illness

Paediatric & Neonatal Tertiary Intensive Care

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

Paediatric Multi-specialty and Quaternary Care

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



Extensive Tertiary and Quaternary Care Offerings

Department of Paediatric Surgery, Urology and Minimally Invasive Surgery

Core Expertise

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

Department of Paediatric Cardiology and Cardiac Sciences

Core Expertise

- Congenital Heart Disease
- Arrhythmia
- Childhood Hypertension

Paediatric 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 Leukaemia
- Brain Tumours
- Solid Tumours
- Diagnosis and Treatment of Various Hematological Disorders
- Bone Marrow Transplant

Department of Paediatric Gastroenterology

Core Expertise

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

Department of Paediatric 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 Orthopaedics

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

Paediatric Transplant Program

Core Expertise

- Bone Marrow Transplant
- Liver Transplant
- Kidney Transplant

Women Care

Foetal Medicine

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

Obstetrics

Pregnancy and Child Birth

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

High-Risk Pregnancy Care

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

Gynaecology

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

Fertility Care

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

INSIGHTS INTO OUR COMPANY

Accreditations, Awards and Accolades

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 (NABH), recognised globally as a standard for healthcare excellence.

Awards

Ranked No. 1 Paediatric Single Specialty Hospital, National by Times Critical Care Survey – 2023

Ranked No. 1 Paediatric Single Specialty Hospital, South Region by Times Critical Care Survey – 2023

Ranked No. 1 Paediatric Single Specialty Hospital, City (Hyderabad, Chennai, and Bengaluru) by Times Critical Care Survey – 2023

Awarded as National Hospital of the Year in Paediatrics Specialty by ET Healthcare Awards – 2023

Awarded as National Hospital of the Year in Obstetrics and Gynaecology Specialty by ET Healthcare Awards – 2023

Ranked No. 2 Best Paediatric Standalone Hospital, National by The Week – 2023

Ranked No. 2 Obstetrics and Gynaecology Single Specialty Hospital, North Region by Times Critical Care Survey – 2023

Ranked No. 2 Obstetrics and Gynaecology Single Specialty Hospital, City (Hyderabad, Chennai, and Delhi) by Times Critical Care Survey – 2023

Ranked No. 1 Paediatrics Hospital, India by Outlook Best Hospital Ranking by Outlook – 2023

Ranked No. 2 Best Paediatric Standalone Hospital, South Zone by The Week – 2023

Received three awards at the Financial Express, Healthcare Award, 2024 - Healthcare Leader of the Year, Best Hospital for Mother & Childcare, and Best Hospital for Obstetrics and Gynecology

Ranked No. 1 Gynaecology & Obstetrics Hospital, India by Outlook Best Hospital Ranking – 2023

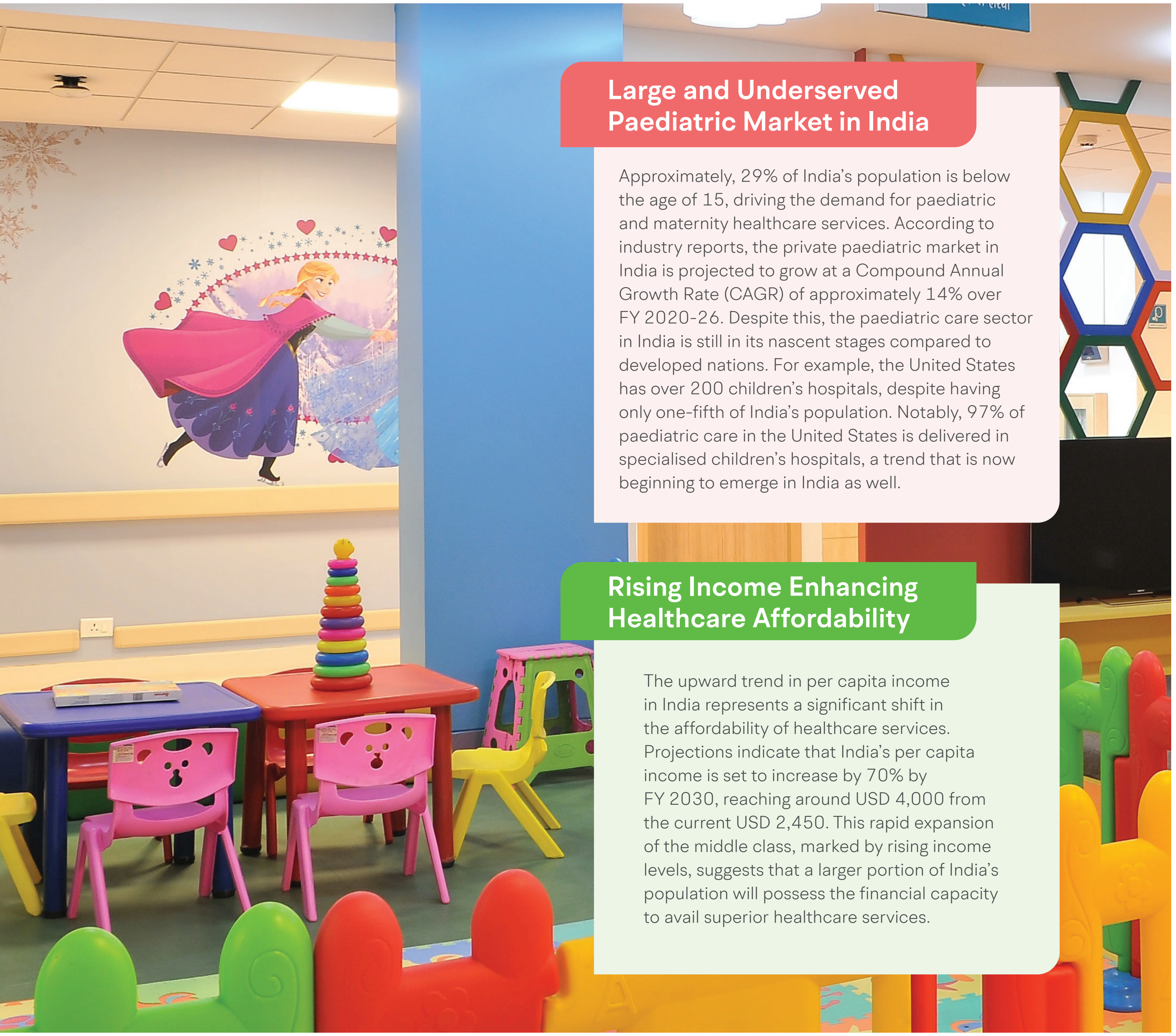
Ranked No. 2 Fertility Hospital, India by Outlook Best Hospital Ranking – 2023

Awarded for Excellence in Fertility by Elets Healthcare Innovation Award - 2023

HOW WE CREATE VALUE

Operating Environment

In India, the demand for high-quality healthcare is poised for robust growth, driven by various socio-economic trends. Simultaneously, the rapid integration of digital technology within the healthcare sector is unlocking novel avenues to enhance patient well-being. These combined factors shape our capacity to create value.



Large and Underserved Paediatric Market in India

Approximately, 29% of India's population is below the age of 15, driving the demand for paediatric and maternity healthcare services. According to industry reports, the private paediatric market in India is projected to grow at a Compound Annual Growth Rate (CAGR) of approximately 14% over FY 2020-26. Despite this, the paediatric care sector in India is still in its nascent stages compared to developed nations. For example, the United States has over 200 children's hospitals, despite having only one-fifth of India's population. Notably, 97% of paediatric care in the United States is delivered in specialised children's hospitals, a trend that is now beginning to emerge in India as well.

Rising Income Enhancing Healthcare Affordability

The upward trend in per capita income in India represents a significant shift in the affordability of healthcare services. Projections indicate that India's per capita income is set to increase by 70% by FY 2030, reaching around USD 4,000 from the current USD 2,450. This rapid expansion of the middle class, marked by rising income levels, suggests that a larger portion of India's population will possess the financial capacity to avail superior healthcare services.

Growing Health Insurance Coverage

The penetration of health insurance stands at around 26% as of 2023, more than doubling from 10% in 2019. Additionally, the health insurance market is projected to grow at a CAGR of 11.55% from 2023 to 2030. As health insurance coverage deepens, more patients are expected to choose high-quality healthcare services. Further, the implementation of Ayushman Bharat, a national public health insurance scheme, aims to significantly reduce out-of-pocket healthcare expenses. This initiative is expanding access to medical treatment, particularly among underserved populations, thereby fuelling the growth of healthcare delivery.

Medical Tourism Opportunity

India is recognised as one of the most cost-effective destinations for medical treatments globally and was ranked 10th in the Medical Tourism Index (MTI) for 2020-21 out of 46 destinations worldwide by the Medical Tourism Association. The country's medical tourism sector, currently valued at USD 9 billion, is expected to reach USD 13 billion by 2026, supported by the Indian government's 'Heal in India' initiative. Additionally, in 2023, the government announced the creation of the Ayush Visa category for foreign nationals to promote travel healthcare in India. In 2024, India is expected to cater to around 7.3 million medical tourists, up from an estimated 6.1 million in 2023. Larger hospitals, particularly those in the NCR, Chennai, and other metropolitan cities, stand to gain significantly from the rapidly expanding medical value-travel sector.

Urbanisation and Growing Healthcare Awareness

India's urban population is on an upward trajectory, projected to rise from approximately 35% in 2020 to 40% by 2030. This urbanisation often brings increased purchasing power, leading to a greater willingness and ability to invest in enhanced healthcare services. The Indian economy is also witnessing a premiumisation trend, with the rapidly growing segment of middle class households seeking more premium products and services across segments, including healthcare. Alongside urban growth, rising literacy rates and heightened awareness of preventive and curative healthcare are set to fuel the demand for quality healthcare services.

Adoption of New Healthcare Technologies

The Indian healthcare sector is undergoing a significant transformation through the adoption of cutting-edge technologies such as telemedicine, healthcare chatbots, AI/ML, blockchain, and IoT. These advancements enable personalised and seamless patient services. Healthcare providers are also benefiting from market expansion and enhanced quality of care by integrating these technologies. The telemedicine market in India is expected to grow at a CAGR of 24% from 2023 to 2030. Additionally, the adoption of healthcare technologies is driving operational efficiency through improved resource planning and streamlined patient record management.

Source:
https://industrywired.com/indias-income-to-hit-us4k-by-2030-report/#:~:text=Standard%20Chartered%20Bank%20predicted%20in,GDP%20of%20US%246%20trillion.
https://www.grandviewresearch.com/industry-analysis/india-health-insurance-market-report
https://www.livemint.com/news/india/40-of-indian-population-will-live-in-urban-centres-by-2030-hardeep-singh-puri-11597743030787.html

HOW WE CREATE VALUE

Business Model

INPUT → STRATEGIC PROCESS → OUTPUT → OUTCOME → SDG LINKAGE

INPUT

FINANCIAL CAPITAL
- Disciplined strategic investments and capital allocation

MANUFACTURED CAPITAL
- **19** Hospitals
- **4** Clinics
- **1,935** Beds
- Best-in-class infrastructure and advanced medical equipment

INTELLECTUAL CAPITAL
- Leading brands –'Rainbow Children's Hospital', 'BirthRight by Rainbow' and 'BirthRight Fertility By Rainbow Hospital'
- Clinical excellence
- JCI and NABH accreditations
- Digital capabilities and systems
- International alliances
- **215+** Trainee doctors pursuing DNB, postgraduate and other fellowship programmes in Rainbow network
- KONAR-MF Patent

HUMAN CAPITAL
- **~4,000** Permanent employees
- **800+** doctors
- Elite consultant pool
- Experienced leadership team
- Regular training and development sessions for our people

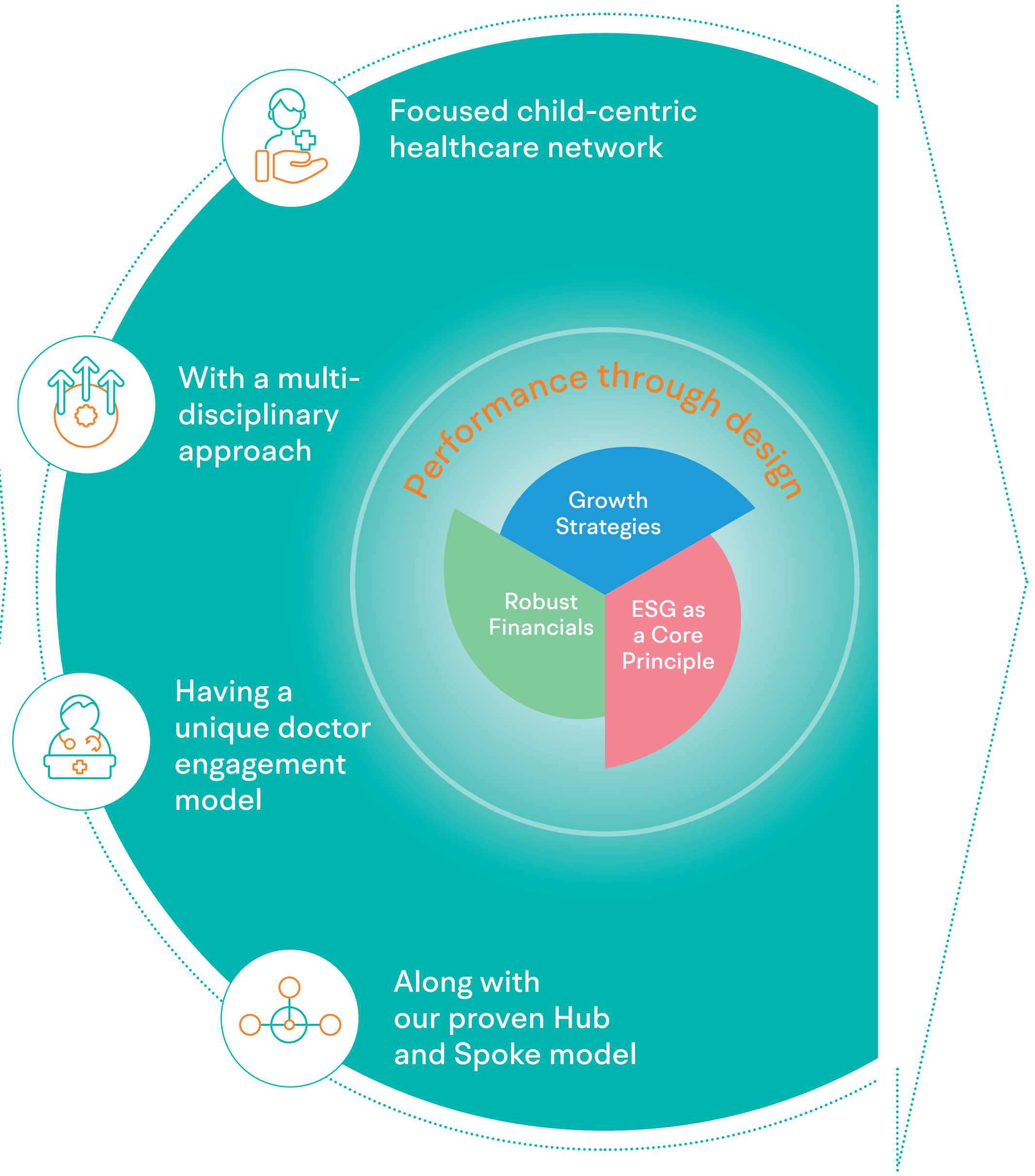
SOCIAL & RELATIONSHIP CAPITAL
- Trusted stakeholder relationships and corporate reputation
- Constructive relationships within the healthcare sector Partnerships with non-profit organisations

NATURAL CAPITAL
- Adopted sustainable practices to take a step forward towards environmental stewardship
- **4,30,000+** 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, foetus, new-born 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
- ₹ **12,969** million Revenue
- ₹ **4,289** million EBITDA
- ₹ **2,183** million PAT

Outcome:
- Constant and sustained growth in revenue and profitability
- Strong balance sheet and liquidity position

SDG Linkage: 8 Decent work and economic growth; 9 Industry, innovation and infrastructure

MANUFACTURED CAPITAL
- Services offered
  1. Child Care
  2. Comprehensive Super-Specialty Paediatric Care
  3. Women Care
  4. Fertility Care
  5. Diagnostic Services
- **12,77,087** Outpatient visits
- **87,736** Inpatient admissions

Outcome:
- Increased operational efficiency
- Expansion of facilities

SDG Linkage: 3 Good health and well-being; 9 Industry, innovation and infrastructure; 17 Partnerships for the goals

INTELLECTUAL CAPITAL
- **~75** Liver and Kidney transplants
- **1,000+** cardiac surgeries
- **63** Research papers published in 2023-24
- Strategic International collaborations
- Industry-leading training programmes

Outcome:
- Management of complex medical cases
- Development of sustainable technologies and processes
- Building strong brand value and recall

SDG Linkage: 3 Good health and well-being; 4 Quality education; 9 Industry, innovation and infrastructure; 17 Partnerships for the goals

HUMAN CAPITAL
- **62%** women representation in workforce
- Doctors trained and upskilled
- Nurses and staff trained and upskilled
- Career growth
- Opportunity to relocate

Outcome:
- Increased retention rate safe, inclusive and open work environment
- Diverse and committed workforce

SDG Linkage: 5 Gender equality; 8 Decent work and economic growth; 9 Industry, innovation and infrastructure

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

Outcome:
- Sustained and consistent value creation for stakeholders
- Uplifting the communities in which we operate

SDG Linkage: 3 Good health and well-being; 11 Sustainable cities and communities; 17 Partnerships for the goals

NATURAL CAPITAL
- **~2,700** MT total carbon emission reduction through direct (solar panels) and indirect (open access) methods
- **~67** Mn Liters total water recycled
- **~326** MT bio-waste disposed safely

Outcome:
- Reduced environmental footprints
- Ensured resource efficiency and waste minimisation

SDG Linkage: 6 Clean water and sanitation; 7 Affordable and clean energy; 12 Responsible consumption and production; 13 Climate action; 15 Life on land

HOW WE CREATE VALUE

Stakeholders Engagement

We engage with stakeholder groups that significantly impact our ability to achieve our strategic objectives. The focus is on ensuring that these engagements are transparent, meaningful, and frequent enough to understand and address their expectations and concerns. Our structured engagement system strengthens relationships, enhances patient experiences, and drives value creation.

Stakeholder	Key Expectations	Engagement Medium	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 and response thereon • 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	
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 organisation 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	

HOW WE CREATE VALUE

Our Strategy and Progress

We continue to execute our multi-faceted strategy aimed at delivering superior patient outcomes, fostering innovation, enhancing operational efficiencies, and driving sustainable growth. Our strategy, yielding commendable financial and operational performance, remains focused on accelerating momentum across our identified priorities while also introducing new focus areas.

01 Strengthen Tertiary and Quaternary Paediatric Services

We continue to focus on expanding our tertiary and quaternary care operations, concentrating these advanced services in our hub hospitals. This strategic focus ensures we maintain and enhance our capability to provide highly specialised and critical care to the most vulnerable patients.

Key Achievements in FY 2024:

- Commissioned a dedicated Transplant ICU at our flagship unit in Hyderabad, enhancing our capacity for high-complexity transplant procedures
- Strengthened air ambulance services for transportation of critically ill children from various parts of the country
- Achieved our first kidney transplant at our Chennai facility, significantly expanding our quaternary care services in the region
- Invested in clinical talent acquisition across new and existing locations, aiming to develop new specialties and strengthen existing ones
- Successfully completed 1,000+ cardiac surgeries and procedures, along with approximately 75 transplants including liver, kidney, and bone marrow

02 Further Our Comprehensive Perinatal Services

We are committed to growing our perinatal services division through focused training, expansion of service offerings, and geographic expansion.

Key Achievements in FY 2024:

- Added IVF services at 8 hospitals, bringing the total to 11 facilities offering these services
- Strengthened our IVF offerings through investments in infrastructure, technology, and specialised personnel
- Facilitated the transfer of experienced consultants from mature units to newly opened ones, ensuring high-quality delivery through best practices
- Strategically tapped into high-potential markets by leveraging the expertise of consultants from new locations, thereby expanding our hospital's reach and patient base

03 Grow Our Presence Through Hub-and-Spoke Networks

Our objective is to replicate our hub-and-spoke model in key cities, increase capacity at hubs, and explore organic/inorganic growth opportunities at new locations.

Key Achievements in FY 2024:

- Established three spoke hospitals in Hyderabad, Bengaluru, and Chennai to enhance our network coverage, improve customer reach, and elevate patient experiences in these cities
- Expanded our capacity by adding a new block at our Hydernagar and LB Nagar facilities
- Secured two land parcels in Gurugram with the objective to enhance our geographic presence through greenfield projects
- Opened a new outpatient clinic at Hennur, Bengaluru

04 Timely Execution of Projects

Meticulous project planning and optimal resource allocation enable us to enhance patient care and bolster our reputation for efficiency and reliability. We remain focused on commencing projects on schedule to avoid cost and time overruns, thereby sustaining operational excellence.

Key Achievements in FY 2024:

- Successfully added 280 beds within the year, marking the highest annual increase in our history and boosting our total bed capacity by ~17%, without any project delays or cost overruns
- Ongoing hospital projects in Hennur, Bengaluru, and Rajahmundry, Andhra Pradesh are on track, with these facilities anticipated to commence operations by the end of FY 2025
- Project work for a regional spoke hospital in Coimbatore has started and is expected to commence operations in 24 months

05 Drive Performance Efficiencies

We seek to grow revenues and enhance operational efficiency by streamlining processes, leveraging technology, developing talent, and improving capacity utilisation.

Key Achievements in FY 2024:

- Strengthened the sales team through comprehensive training and recruitment to drive performance and outreach
- Launched a dedicated corporate sales vertical to tap into new market segments and diversify revenue streams
- Invested in human capital to nurture skills, cultivate leadership, and ensure readiness for future challenges and opportunities
- Invested in advanced technology solutions to streamline supply chain processes, optimise inventory levels, reduce wastage, and improve overall efficiency
- Enhanced nursing protocols and optimised facility occupancy to boost overall efficiency
- Implemented cost-effective spending strategies on advertising and branding to maximise return on investment and enhance market presence

06 IT Transformation

We seek to leverage digital technology to address patient convenience, drive operational efficiencies, and expand reach.

Key Achievements in FY 2024:

- Initiated transition from legacy Hospital Information Systems (HIS) to Arcus Air for enhanced digital capabilities and competitive advantage
- Implemented Electronic Medical Records (EMR) systems across our hospital network, digitising patient health records and streamlining clinical workflows
- Launched a new payment gateway, website, and app, and introduced Business Intelligence (BI) dashboards to support data-driven decision-making
- Embarked on the implementation of Salesforce CRM and utilised sales cloud technologies for improved efficiency and outcomes

07 Grow International Business

Our hospitals in South India and the National Capital Region are well-connected to international destinations and recognised as medical hubs place us in an ideal position to capture the huge medical tourism opportunity.

Key Achievements in FY 2024:

- Signed an MoU with the Government of the United Republic of Tanzania, focusing on health and cooperation between the two countries
- Forged a strategic alliance with the Ministry of Health, Zanzibar, to establish comprehensive inter-institutional cooperation in paediatric healthcare
- Increased revenue contribution from international patients, which now represents 3.4% of our total business, up from 2% the previous year

HOW WE CREATE VALUE

Managing Risks

We continuously evaluate our risk profile to adapt to changing market conditions and emerging challenges. Our risk landscape remains stable, indicating the effectiveness of our current risk management strategies and the resilience of our operational framework.

Risk Management Framework

In response to our dynamic environment and our steadfast commitment to ongoing enhancement and delivering long-term stakeholder value, we have developed a robust risk management framework to identify, monitor, and minimise risks. Our comprehensive framework encompasses various aspects of the business, including strategy, operations, financial reporting, and compliance. We have Integrated risk management into the organisational culture, with assessments incorporated into decision-making processes at all levels.

Risk Management Governance

To identify and mitigate risks across different areas of operations, the Board of Directors have established a Risk Management Committee (RMC) led by an Independent Director. This committee oversees and monitors our risk management framework, providing regular updates to the Board of Directors on risk assessment and mitigation procedures.

Risk Monitoring and Mitigation Mechanisms

Our risk management practices are guided by a Risk Management Charter, approved by the RMC. Additionally, we have developed a detailed risk management process to address potential risks, which undergoes regular review and approval by the RMC.

Our monitoring and mitigation mechanisms include:

- Concurrent auditing, process walkthroughs, and risk-based internal audit reviews
- Focus on identifying, rectifying, and monitoring the effectiveness of internal processes and any potential gaps
- Assessment based on risk perception surveys, business environment scanning, and inputs from various stakeholders

Risk Register and Assessment

As part of the Risk Management exercise, Functional Heads prepares comprehensive Risk Registers, scoring risks based on probability of occurrence and severity of impact. Operational Leaders are tasked with identifying new risks, while detailed documentation includes root cause analysis, risk indicators, current status, mitigation timeline, likelihood of occurrence, impact assessment, MIS monitoring mechanism, and mitigation plan. Risks and their status are periodically reported to the RMC, with members offering suggestions in scheduled meetings. The RMC receives updates on a half-yearly basis.

Technology for Effective Risk Management

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

Mitigating Cybersecurity Risk

We have undertaken comprehensive Vulnerability Assessment and Penetration Testing (VAPT) as part of our cybersecurity assessment framework. Additionally, we are actively implementing Business Continuity and Disaster Recovery plans to safeguard our operations. Our cybersecurity strategy encompasses installing robust perimeter devices like firewalls, while network and communication devices are configured with structured access rules.

Furthermore, stringent security controls have been implemented on servers, ensuring authentication, authorisation, and database access for critical applications. To enhance our cybersecurity posture, we have initiated a Cyber Security Maturity Assessment framework and deployed robust data encryption protocols to combat threats such as ransomware, phishing.

In line with our commitment to safeguarding sensitive data and ensuring the continuity of our operations, we are proactively cultivating a cyber-aware culture. This includes conducting training programmes to educate our staff on cybersecurity best practices and emerging threats.

HOW WE PERFORMED

Financial Capital

By managing our financial capital prudently and diligently, we facilitate investments in new facilities for geographic expansion, enhance our services to improve patient outcomes, and build a profitable, sustainable business model that generates economic value for our diverse stakeholder groups.

Financial Review

We delivered a resilient financial performance for FY 2024, successfully navigating seasonal headwinds that affected patient inflow across the industry. The high base effect, due to increased footfalls and inpatient admissions in the previous year as children adapted post-COVID, also impacted the industry's performance. Our clinical and operational excellence, combined with cost optimisation measures, enabled us to overcome external challenges and achieve our highest-ever revenue and EBITDA of ₹ 12,969 million and ₹ 4,289 million, respectively.

Revenue growth was primarily driven by our specialty services, including paediatric super-specialty, obstetrics, tertiary care, and quaternary care services. These services have high ARPOB (Average Revenue per Occupied Bed) with relatively lower ALOS (Average Length of Stay).

Our superior case mix mitigated the impact of lower occupancy rates due to reduced seasonal business.

The expansion of our hospital network significantly bolstered revenue growth, with three new units established and new blocks added to two existing hospitals. Additionally, the expansion of our perinatal services, the addition of IVF specialties across multiple units, and the growth of our international business contributed to our revenues.

All projects planned for the year were completed as scheduled, avoiding any cost overruns. Our focused approach to cost management, without compromising patient outcomes, and operational efficiency also contributed to our margins.

The ROCE decreased from 24.61% in FY 2023 to 21.00% in FY 2024. This decline was primarily due to the addition of new units, which increased capital employed by 21%, while revenues and profits reflected only a few months of operations. As these new units stabilise, ROCE is expected to improve. Similarly, Return on Equity (ROE) decreased from 25.36% to 18.72%, attributed to a 39% increase in average shareholder's equity, with net profits remaining consistent with the previous year.

OUR CLINICAL AND OPERATIONAL EXCELLENCE, COMBINED WITH COST OPTIMISATION MEASURES, ENABLED US TO OVERCOME EXTERNAL CHALLENGES AND ACHIEVE OUR HIGHEST-EVER REVENUE AND EBITDA OF ₹ 12,969 MILLION AND ₹ 4,289 MILLION, RESPECTIVELY.

Growth Drivers

A Market Penetration and Accessibility

New Spoke Hospitals

The establishment of new spoke hospitals has significantly enhanced our market penetration, allowing us to increase accessibility and provide quality healthcare services to a broader patient base.

B Revenue Growth

Specialty Services and Fertility Care

Our specialty services, including paediatric super-specialty and obstetrics, along with the expansion of fertility care, have been key contributors to our revenue growth. These high-demand services ensure a steady influx of patients seeking advanced medical care.

International Business

The growth of our international business has also played a crucial role in driving revenue. Our strategic alliances and enhanced service offerings have attracted a growing number of international patients, thereby increasing our market reach and revenue base.

Negotiations with Insurance Companies

Effective negotiation strategies with insurance companies have resulted in favourable tariff increases. This has not only improved our revenue stream but also enhanced our relationships with insurance providers, benefiting our patients through better coverage options.

C Operational Efficiency

Cost Optimisation

Our continuous focus on cost optimisation has enabled us to maintain strong EBITDA margins despite the expansion of new units and increased bed capacities. By streamlining operations and rationalising expenditures, we have managed to sustain profitability.

Operational Excellence

Commitment to operational excellence has been pivotal in achieving consistent performance. Through the implementation of best practices, process improvements, and advanced technology solutions, we have enhanced our service delivery, ensuring high-quality patient care and operational efficiency.

Facilities and equipment capital expenditure
(₹ million)

FY 2024	**3,535.8**
FY 2023	1,412.9
FY 2022	622.2

Financial Strategies

Our financial strategies are designed to drive growth while maintaining profitability and ensuring sustainable long-term success.

Focused Growth Investments

We are investing strategically to strengthen our network by adding spokes & regional spokes across all regions, with a particular focus on expanding our presence in the National Capital Region (NCR). These investments are critical to enhancing our market penetration, increasing accessibility to our services, and supporting our long-term growth objectives.

Debt-Free Capital Expenditures

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

Disciplined Asset Allocation

We adopt a disciplined and meticulous approach to asset allocation, carefully evaluating return ratios and business synergies before undertaking any capital expenditures. This prudent strategy ensures that our investments are aligned with our long-term goals and deliver maximum value to our stakeholders.

Operational Excellence and Technological Advancements

Our unwavering commitment to operational excellence is underpinned by the integration of advanced technologies across various aspects of our business. By leveraging these technologies, we enhance patient care, streamline operations, and drive efficiency.

ROI-Focused Marketing

We remain committed to ROI-focused marketing strategies, emphasising regional optimisation and employing data-driven approaches to maximise return on investment. This focus ensures that our marketing efforts are both effective and efficient, driving patient engagement and supporting our growth initiatives.

By maintaining a balanced approach to growth and profitability, we are confident in our ability to deliver sustainable value to our shareholders while continuing to provide exceptional healthcare services.

Revenue (Turnover)
(₹ million)

FY 2024	**12,969**
FY 2023	11,736
FY 2022	9,738

Y-O-Y **10.5%**

EBITDA
(₹ million)

FY 2024	**4,289**
FY 2023	3,964
FY 2022	3,049

Y-O-Y **8.2%**

EBITDA Margins
(%)

FY 2024	**33.1**
FY 2023	33.8
FY 2022	31.3

PAT
(₹ million)

FY 2024	**2,183**
FY 2023	2,124
FY 2022	1,387

Y-O-Y **2.8%**

PAT Margins
(%)

FY 2024	**16.8**
FY 2023	18.1
FY 2022	14.2

ROCE
(%)

FY 2024	**21.0**
FY 2023	24.6
FY 2022	23.0

ROE
(%)

FY 2024	**18.7**
FY 2023	25.4
FY 2022	26.4

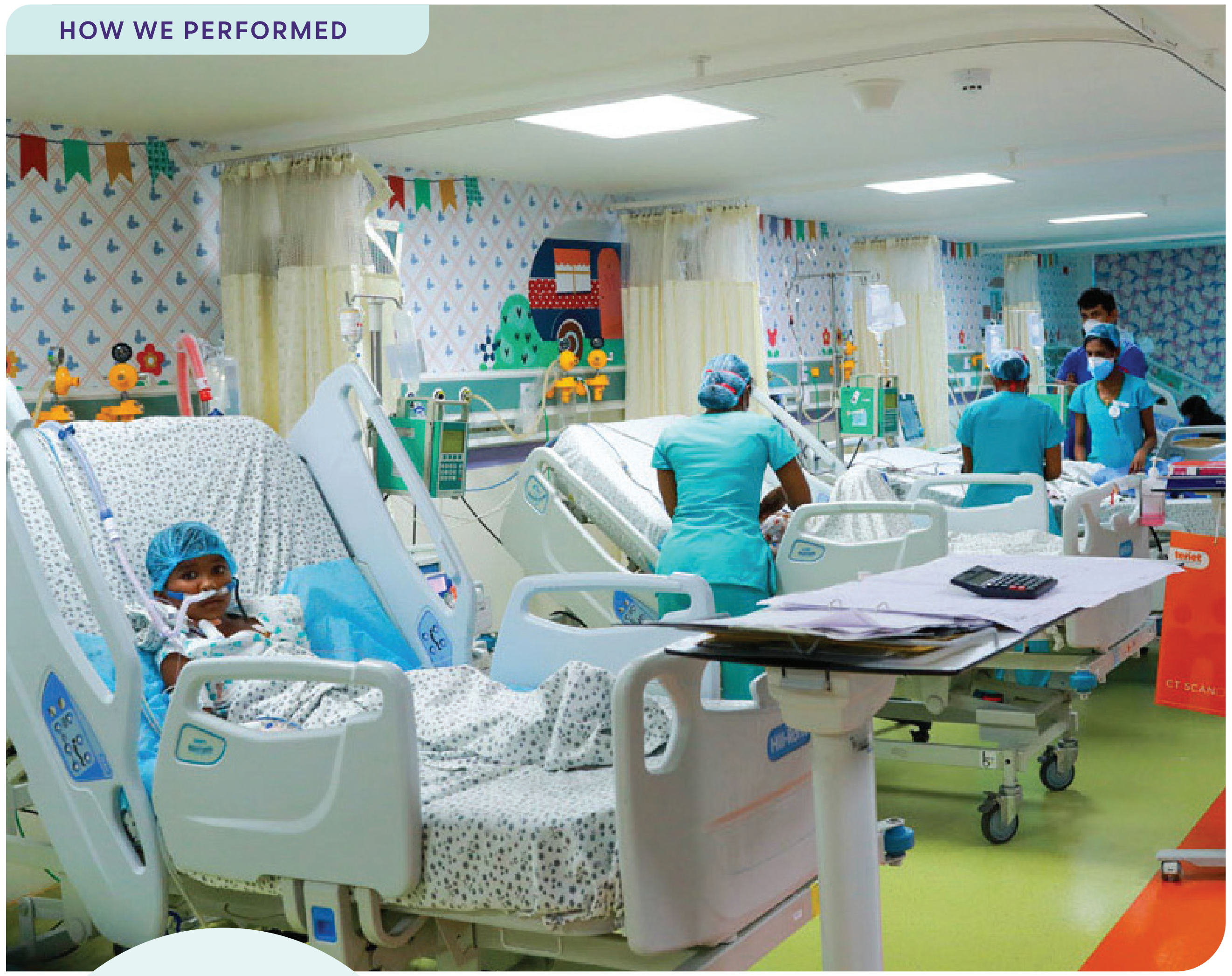
Dividend per Share
(₹)

FY 2024	**3**
FY 2023	3
FY 2022	2

Highest ever
Revenue
(₹ million)
12,969

Highest ever
EBITDA
(₹ million)
4,289

HOW WE PERFORMED



Manufactured Capital

Our facilities, infrastructure, and medical equipment are crucial to our ability to deliver comprehensive healthcare services and achieve superior patient outcomes. We remain dedicated to expanding our hospital network and investing in state-of-the-art capabilities, all aligned with our mission to provide the highest standards of care.

Expansion of Hospital Network

In FY 2024, we made significant strides in expanding our hospital network to enhance accessibility and service delivery. This year, we added three new units, increasing our capacity and broadening our reach to more patients across different regions. Additionally, we expanded two existing hospitals by adding new blocks, further boosting our ability to deliver specialised and critical care services.

State-of-the-Art Medical Equipment

Investing in the latest medical equipment and technology is a cornerstone of our strategy to provide top-tier healthcare services. Our facilities are equipped with advanced medical technologies that support a wide range of paediatric and perinatal care, from neonatal intensive care units (NICUs) to specialised surgical suites. This investment ensures that our patients receive the most effective and efficient care possible.

Facility Enhancements and Upgrades

We continue to upgrade our existing infrastructure to maintain and improve the quality of care. These enhancements include modernising patient rooms, expanding intensive care units, and incorporating advanced diagnostic and therapeutic equipment. Our ongoing facility improvements are designed to create a healing environment that fosters patient recovery and well-being.

Operational Efficiency

Our focus on operational efficiency is reflected in our ability to manage and optimise our facilities and equipment. By implementing advanced technologies and processes, we streamline operations, reduce downtime, and improve resource utilisation. This approach not only enhances patient care but also contributes to cost savings and increased operational effectiveness.

Sustainability Initiatives

We are committed to integrating sustainability into our operations, ensuring that our facilities are energy-efficient and environmentally friendly. Our sustainability initiatives include the use of green building materials, energy-efficient lighting and HVAC systems, and waste reduction programmes. These efforts support our goal of minimising our environmental impact while providing high-quality healthcare services.

INVESTING IN THE LATEST MEDICAL EQUIPMENT AND TECHNOLOGY IS A CORNERSTONE OF OUR STRATEGY TO PROVIDE TOP-TIER HEALTHCARE SERVICES.

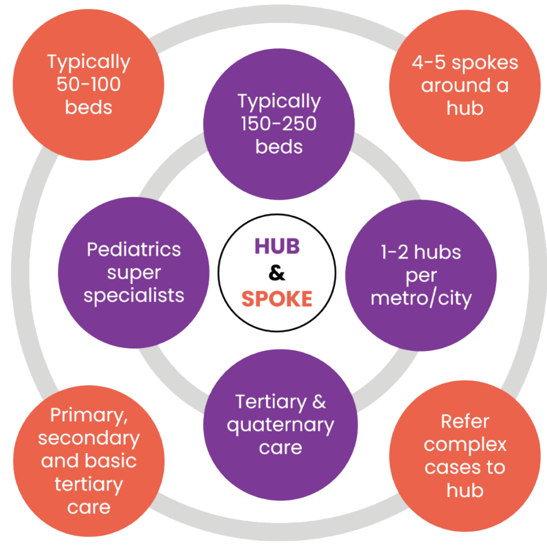
By continually investing in our manufactured capital, we ensure that our infrastructure and equipment are at the forefront of medical innovation. This commitment enables us to expand our services, improve patient outcomes, and maintain our position as a leading provider of paediatric and perinatal care.

Our Hospital Network

City/State	No. of beds	Services	Hub/spoke Hospital
HYDERABAD			
Banjara Hills	250	Primary / Secondary / Tertiary/ Quaternary (super-specialties) Paediatrics, Obstetrics & Laparoscopy Gynaecology, full range of IVF services Advanced level 4 NICU and a multi-disciplinary PICU; Air transportation medical services. Transplant centre JCI Accredited first paediatric hospital in the country	Hub Hospital
RCHI (Heart Institute)	110	Dedicated heart centre Specialised echocardiography, foetal cardiac procedures and CT Surgeries	Spoke Hospital
Vikrampuri	110	Primary / Secondary / Tertiary Paediatrics Obstetrics & Laparoscopy Gynaecology services	Spoke Hospital
Kondapur	50	Exclusive Maternity care and full range IVF services Exclusive Maternity care unit and focused IVF Centre. JCI accredited first standalone IVF centre in the country	Spoke Hospital
Hydernagar	160	Primary / Secondary / Tertiary Paediatrics Obstetrics & Laparoscopy Gynaecology, full range of IVF services	Spoke Hospital
LB Nagar	100	Primary / Secondary / Tertiary Paediatrics Obstetrics & Laparoscopy Gynaecology, full range of IVF services	Spoke Hospital
Financial District	100	Primary / Secondary / Tertiary Paediatrics Obstetrics & Laparoscopy Gynaecology services	Spoke Hospital
Himayatnagar	60	Primary / Secondary / Tertiary Paediatrics Obstetrics & Laparoscopy Gynaecology, full range of IVF services	Spoke Hospital
BENGALURU			
Marathahalli	200	Primary / Secondary / Tertiary/ Quaternary (super-specialties) Paediatrics, Obstetrics & Laparoscopy Gynaecology, IVF services Advanced level 4 NICU and a multi-disciplinary PICU; Air transportation medical services. Transplant centre JCI Accredited second paediatric hospital in the country	Hub Hospital
Bannerghatta Road	102	Primary / Secondary / Tertiary Paediatrics Obstetrics & Laparoscopy Gynaecology services	Spoke Hospital
Hebbal	50	Primary / Secondary / Tertiary Paediatrics Obstetrics & Laparoscopy Gynaecology, full range of IVF services	Spoke Hospital
Sarjapur	90	Primary / Secondary / Tertiary Paediatrics Obstetrics & Laparoscopy Gynaecology, full range of IVF services	Spoke Hospital
ANDHRA PRADESH			
Vijayawada	130	Primary / Secondary / Tertiary Paediatrics Obstetrics & Laparoscopy Gynaecology, full range of IVF services	Regional Spoke Hospital
Visakhapatnam	129	Primary / Secondary / Tertiary Paediatrics Obstetrics & Laparoscopy Gynaecology, full range of IVF services	Regional Spoke Hospital
NEW DELHI			
Rosewalk	24	Exclusive Maternity, Laparoscopy Gynaecology, Cosmetology and Perinatal services Premium / Luxury birthing centre; (Acquired in 2019)	Spoke Hospital
Madhukar, Malviya Nagar	130	Manages clinical services for inpatient operations and runs an outpatient department (Owned by Madhukar Trust)	Hub Hospital
CHENNAI			
Guindy	135	Primary / Secondary / Tertiary/ Quaternary (super-specialties) Paediatrics, Obstetrics & Laparoscopy Gynaecology services Advanced level 4 NICU and a multi-disciplinary PICU; Transplant centre (did first kidney transplant last year)	Hub Hospital
Sholinganallur (OMR)	55	Primary / Secondary / Tertiary Paediatrics, Obstetrics & Laparoscopy Gynaecology services	Spoke Hospital
Anna Nagar	80	Primary / Secondary / Tertiary Paediatrics, Obstetrics & Laparoscopy Gynaecology, full range of IVF services	Spoke Hospital

Hub-and-Spoke Model

Our hub-and-spoke model is integral to our strategy, designed to optimise healthcare delivery across diverse geographic regions. At its core lies a primary 'hub' hospital equipped with super-specialty services, cutting-edge facilities, and advanced medical technologies. This hub serves as the central point for specialised care, offering comprehensive treatment options and expert medical personnel.



Strategic Implementation

In the southern region, we have successfully implemented our hub-and-spoke model in key cities such as Hyderabad, Bengaluru, and Chennai. These cities host our primary hub hospitals, which are equipped to handle complex medical cases and provide tertiary and quaternary care services. They serve as beacons of medical excellence, attracting patients from across the region seeking specialised treatment.

Regional Spokes

Complementing our hub hospitals, we have established regional 'spoke' hospitals and clinics in catchment areas such as Vishakhapatnam and Vijayawada. These spokes play a crucial role in extending our healthcare reach, offering primary and secondary care services closer to patients' homes. By strategically locating spokes in high-demand areas, we enhance accessibility, reduce travel times for patients, and cater to a broader patient base.

Expansion Strategy

Looking ahead, our strategic focus remains on replicating the success of our hub-and-spoke model across key cities and regions nationwide. By expanding this model, we aim to strengthen our presence and deepen our impact on paediatric and perinatal care across India. This expansion will not only broaden our coverage but also enhance patient experience through improved access to specialised healthcare services.

Driving Efficiency and Quality

The hub-and-spoke model enables us to achieve operational efficiencies by centralising specialised services at hubs while decentralising primary and secondary care to spokes. This strategic approach optimises resource allocation, improves patient flow, and enhances overall healthcare delivery. It also supports our commitment to delivering high-quality care that meets the diverse healthcare needs of our patient population.

By leveraging the hub-and-spoke model, we are poised to expand our footprint, elevate patient care standards, and drive sustainable growth in the dynamic healthcare landscape of India.

Benefits of our Hub-and-Spoke Model

Synergy

Super-specialty services at the hub enable superior patient outcomes for complex cases while spoke hospitals serve as part of the referral network & do all clinical work except high tertiary & quaternary care/ complex surgery.

Cost Efficiency

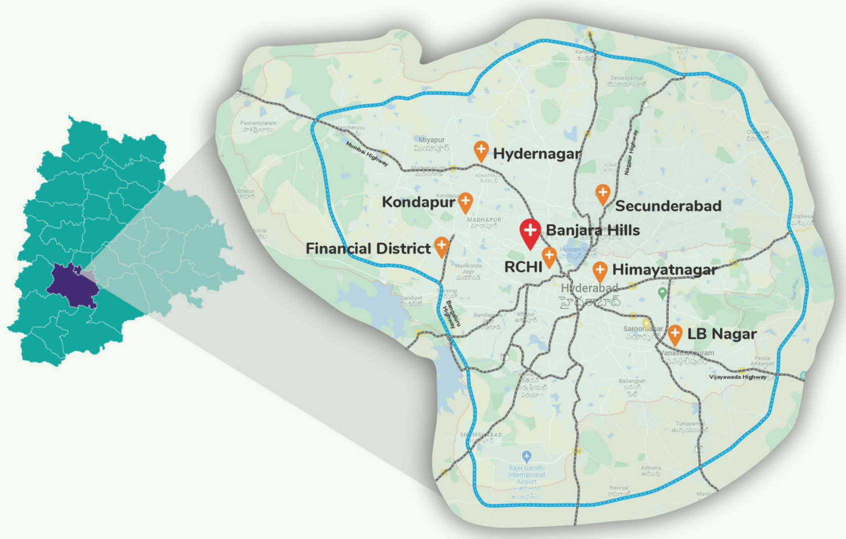
Wider patient base, and lower infrastructure investments at spoke hospitals enhance financial returns.

Comprehensive Coverage

Spoke hospitals deepen market penetration and are supported by a robust transport system for quick transfer of critical cases.

Capacity Expansion in FY 2024

HYDERABAD



- Hub Hospital (Banjara Hills, Road No. 2) is centrally situated, providing accessibility from all parts of the city
- Spoke hospitals are situated at areas experiencing rapid growth and development
- Strategically located to ensure convenient access for nearby towns and cities

BENGALURU

- Hub Hospital (Marathahalli) is situated on the Outer Ring Road, at the heart of Bengaluru, ensuring convenient access from every part of the city
- Spoke hospitals are situated at areas experiencing rapid growth and development
- Strategically positioned to ensure convenient access for nearby towns and cities

Expansion of Healthcare Facilities in Hyderabad

In our continuous effort to expand and enhance healthcare accessibility in Hyderabad, we are pleased to announce significant additions to our facilities:

New Hospital in Himayatnagar

We have inaugurated a new 60-bed hospital in Himayatnagar, Central Hyderabad. Strategically located in a densely populated and commercially vital area, this facility strengthens our hub-and-spoke network in the city. The Himayatnagar hospital is equipped to provide round-the-clock emergency care in paediatrics and obstetrics, outpatient services, and features Level 3 neonatal and paediatric intensive care units. This expansion reflects our commitment to meeting the growing healthcare needs of the local community.

Expansion at Hydernagar Hospital

Additionally, we have added a new 50-bed block to our existing Hydernagar Hospital, increasing its total capacity to 160 beds. This expansion allows us to accommodate more patients and broaden our service offerings, ensuring comprehensive healthcare delivery in the area.

Commissioning of Additional OP block at LB Nagar Hospital

Furthermore, we have commissioned an additional block at our LB Nagar Hospital. This enhancement of local healthcare capabilities underscores our dedication to improving patient access to specialised medical care and reinforcing our commitment to quality healthcare services.

These expansions are part of our ongoing efforts to strengthen our presence in Hyderabad, enhance patient care standards, and expand our hub-and-spoke model to better serve the healthcare needs of the community. We remain committed to delivering exceptional healthcare services and fostering healthier communities across the region.

Expansion of Healthcare Facilities in Bengaluru

We are pleased to announce the expansion of our healthcare facilities in Bengaluru with the addition of new services:

New Hospital on Sarjapur Road

We have inaugurated a new 90-bed hospital on Sarjapur Road, marking our fourth facility in Bengaluru. This expansion increases our total bed capacity in the city to 442 beds. Located in South East Bengaluru, Sarjapur Road is a thriving residential and commercial hub, strategically positioned near major technology parks and corporate offices in Whitefield and Electronic City.

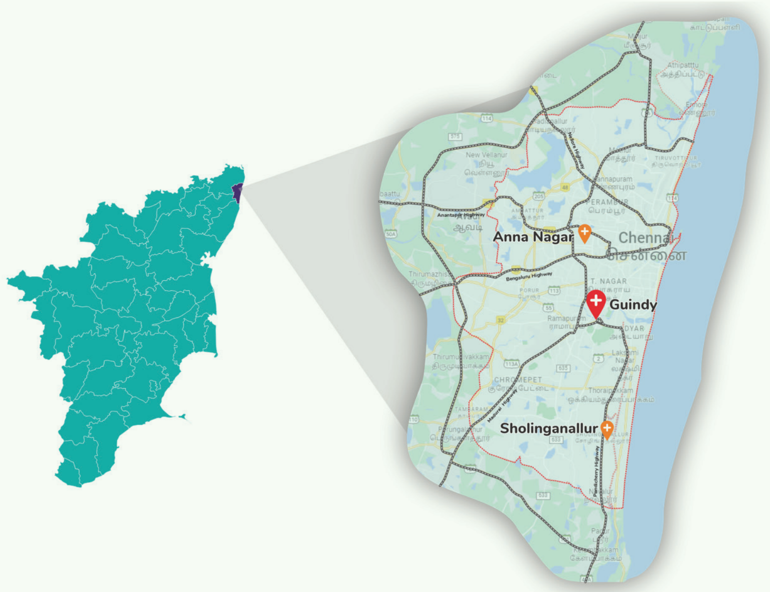
The hospital offers comprehensive paediatrics, obstetrics and gynaecology services, including 24/7 consultant-led emergency care, outpatient services, and features Level 3 neonatal and paediatric intensive care units. This facility complements the services provided by our hub hospital in Marathahalli and strengthens our commitment to delivering high-quality healthcare across Bengaluru.

Outpatient Clinic at Hennur

Additionally, we have opened a new outpatient clinic at Hennur, Bengaluru. This clinic expands our outpatient service offerings, providing convenient access to healthcare services for the local community.

These expansions reflect our dedication to meeting the growing healthcare needs of Bengaluru, enhancing patient care accessibility, and reinforcing our position as a leading provider of paediatric and obstetric care in the region. We remain committed to delivering exceptional healthcare outcomes and fostering healthier communities through our expanded network of facilities.

CHENNAI



- Hub Hospital (Guindy) is situated at the heart of Chennai having convenient access from every part of the city
- Spoke hospitals are situated at the areas experiencing rapid growth and development
- Strategically positioned to ensure convenient access for nearby towns and cities

Expansion of Healthcare Facilities in Chennai

We are delighted to announce the expansion of our healthcare facilities in Chennai with the addition of a new hospital

New Hospital at Anna Nagar

We have inaugurated a new 80-bed hospital at Anna Nagar, our third facility in Chennai. This expansion increases our cumulative bed capacity in the city to 270 beds. Located in northwest Chennai, Anna Nagar is a well-developed locality known for its excellent social infrastructure and connectivity to IT parks and commercial complexes via public transport and major arterial roads. This upscale area is a preferred residential choice for young professionals and families in northwest Chennai.

The Anna Nagar Hospital complements our existing hub hospital in Guindy and enhances our ability to deliver comprehensive paediatric and obstetric services. The facility offers 24/7 consultant-led emergency care in paediatrics and obstetrics, outpatient services, and features Level 3 neonatal and paediatric intensive care units. This expansion underscores our commitment to providing high-quality healthcare services and meeting the growing healthcare needs of Chennai.

We are dedicated to improving patient care accessibility and fostering healthier communities through our expanded network of healthcare facilities in Chennai.

Upcoming Hospitals Overview

Expansion in Karnataka, Andhra Pradesh and Tamil Nadu

01 Hennur Spoke Hospital, Bengaluru, Karnataka

A new spoke hospital with approximately 60 beds.

Scheduled for completion by the end of FY 2025.

Will enhance our healthcare services in Bengaluru, focusing on paediatric and perinatal care.

02 Regional Spoke Hospital, Rajahmundry, Andhra Pradesh

Development progressing well for a hospital with around 100 beds.

Expected completion by the end of FY 2025.

Aims to meet the healthcare needs of the region with comprehensive paediatric and perinatal services.

03 Regional Spoke Hospital, Coimbatore, Tamil Nadu

Received government approvals; project commenced.

Completion anticipated within 24 months.

Will deepen our footprint in South India, catering to the local demand for high-quality healthcare.

Expansion in North India

01 Gurugram Developments

Completed full payment to Haryana Shehri Vikas Pradhikaran (HSVP) and received allotment letters for two land parcels situated in Sector 44 and Sector 56, Gurugram, Haryana.

Company has received allotment and possession letter for the above mentioned land parcels. The work is in designing phase and project work is yet to commence on these hospitals.

02 Hub Hospital, Sector 44, Gurugram, Haryana

Planned with approximately 300+ beds.

Will offer comprehensive paediatric specialties, tertiary and quaternary care, and high-end perinatal services.

Strategically positioned to serve as a key healthcare provider in North India & International market.

03 Spoke Hospital, Sector 56, Gurugram, Haryana

State-of-the-art facility with around 100+ beds.

Provides comprehensive paediatric and perinatal care, including 24/7 emergency services.

Meets the healthcare needs of the rapidly growing local population.

These upcoming projects reflect our commitment to expanding our healthcare network strategically across key regions, enhancing accessibility, and delivering exceptional healthcare services tailored to local communities.

Specialised Capability and Equipment

Neonatal Intensive Care Units (NICU) Overview

~400

NICU beds strategically located across multiple hospital locations

Extensive NICU Network

01 Comprehensive NICU Coverage

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

02 Level 4 NICUs at Hub Hospitals

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

03 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, paediatricians, and nurses provide round-the-clock care, focusing on the specialised 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 specialised care closer to home for families across India.

Enhancing Neonatal Healthcare Standards

Continuous Innovation

We prioritise 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.

Our extensive NICU network underscores our commitment to providing exceptional neonatal care across India. By integrating advanced medical capabilities with strategic hospital placement, we ensure that every newborn receives the highest standard of care, supporting their health and well-being from the earliest stages of life.

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

Paediatric Intensive Care Units (PICU) Overview

~200

PICU beds strategically located across multiple hospital locations

Advanced Critical Care for Children

01 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 specialised care and support to critically ill children requiring intensive medical intervention

02 Comprehensive Network

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

Key Features of Our PICUs

Advanced Ventilation and Organ Support Systems

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

Specialised Medical Staff

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

Integrated Healthcare Approach

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

Commitment to Excellence in Paediatric 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 individualised treatment plans and family support, ensuring compassionate care for both patients and their families during critical times.

Enhancing Paediatric Healthcare Standards

Training and Education

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

Quality Assurance

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

Our robust PICU network underscores our commitment to delivering advanced, compassionate care for critically ill children. With a focus on technology, expertise, and patient-centered approaches, we strive to achieve superior outcomes and support the well-being of paediatric patients and their families across our hospital network.

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
- Paediatric Burn unit
- Paediatric Trauma Services

Advancements in Air Transportation Services

High-Frequency Oscillatory Ventilation (HFOV) and Nitric Oxide Treatments

In FY 2023-24, we spearheaded advancements in air transport services, introducing High-Frequency Oscillatory Ventilation (HFOV) and nitric oxide treatments for critically ill neonates. This pioneering initiative marks our commitment to delivering specialised care during transport, particularly for newborns and infants diagnosed with Persistent Pulmonary Hypertension of the Newborn (PPHN).

Leading Innovation in Medical Transport

As the first in the country to incorporate HFOV and nitric oxide treatments, we ensure safe and effective transport of critically ill neonates.

Enhanced Treatment Capabilities

These advancements enable our medical teams to provide immediate and advanced respiratory support, crucial for managing complex medical conditions during transit.

Extracorporeal Membrane Oxygenation (ECMO) Referral Program

Expanding on our capabilities, we have initiated Extracorporeal Membrane Oxygenation (ECMO) at referral centers, bolstering our ECMO referral program. This strategic enhancement further strengthens our ability to provide life-saving interventions for critically ill children.

Comprehensive Care During Air Transport

Our ECMO capabilities during air transport ensure continuity of critical care, facilitating swift and safe transfer of patients requiring advanced cardiac and respiratory support.

Commitment to Cutting-Edge Medical Transport

Continuous Advancements

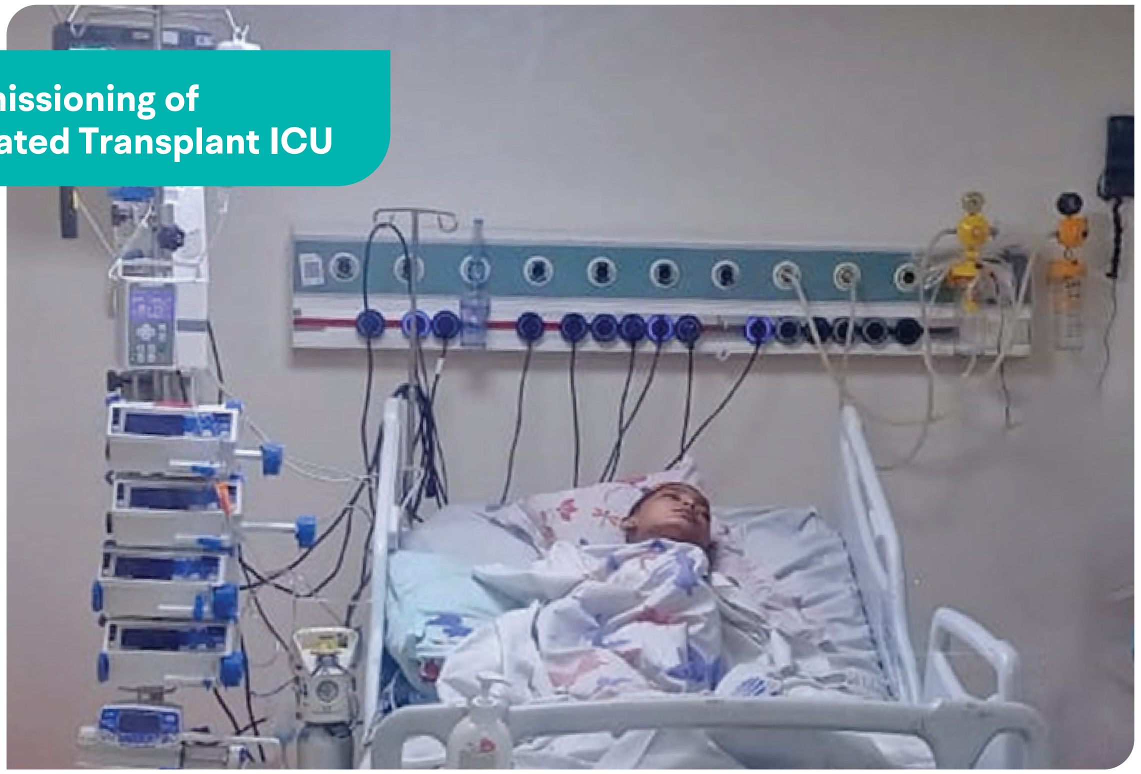
We remain at the forefront of medical transport innovation, continually evaluating and adopting advanced technologies to enhance patient outcomes.

Safety and Efficiency

With a focus on safety protocols and operational excellence, we ensure seamless coordination for air transport services, prioritising patient safety and care throughout the journey.

Our advancements in air transportation services, including HFOV, nitric oxide treatments, and ECMO capabilities, underscore our commitment to delivering exceptional care for critically ill neonates and children. By pioneering these specialised interventions, we aim to set new standards in medical transport, ensuring timely and effective treatment for our patients in their most critical moments.

Commissioning of Dedicated Transplant ICU



Enhancing Quaternary Care at Our Flagship Unit in Hyderabad

Aligned with our commitment to excellence in healthcare, we are pleased to announce the commissioning of a dedicated Transplant ICU at our flagship unit in Hyderabad. This state-of-the-art facility represents a significant milestone in our journey to provide comprehensive quaternary care services.

Strategic Focus on Quaternary Care

The new Transplant ICU underscores our strategic emphasis on advancing quaternary care capabilities. This specialised unit is equipped to handle complex transplant procedures with the highest standards of medical expertise and infection control.

Ensuring Patient Safety and Outcomes

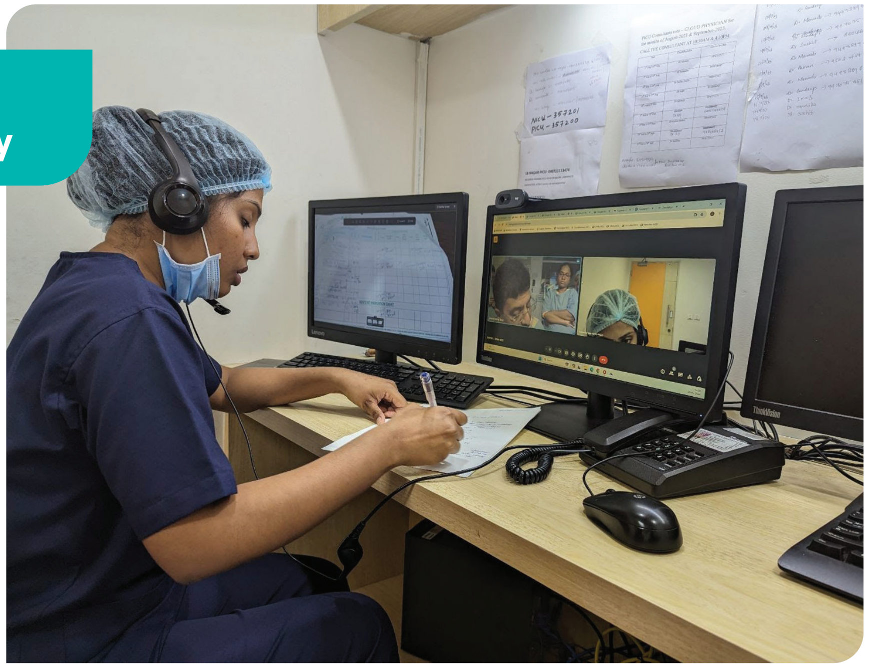
Our dedicated Transplant ICU is designed to maintain stringent infection control protocols, minimising the risk of post-operative complications and optimising patient outcomes.

Commitment to Superior Healthcare

By establishing this exclusive facility, we reaffirm our commitment to delivering exceptional healthcare services, ensuring that transplant patients receive the highest level of care and support.

The commissioning of our dedicated Transplant ICU at Hyderabad marks a pivotal achievement in our mission to enhance quaternary care services. This facility not only expands our clinical capabilities but also strengthens our ability to provide specialised care for transplant patients, setting a new benchmark in healthcare excellence. We remain dedicated to advancing medical care standards and improving the lives of our patients through innovation and expertise.

Integration of Remote Monitoring Technology



Enhancing Care Quality Across Our Hub-and-Spoke Network

We are pleased to announce the successful integration of remote monitoring technology across our hub-and-spoke network. This transformative initiative empowers our medical team to deliver proactive, high-quality care to patients in remote locations.

Proactive Monitoring Intervention

The integration of remote monitoring enables our medical professionals stationed at the hub to monitor patients' vital signs, health metrics, and recovery progress in real-time. This proactive approach allows for early detection of any complications or changes in health status, facilitating timely intervention and personalised care plans.

Improved Patient Outcomes

By leveraging advanced technology, we enhance health outcomes, particularly for patients with chronic conditions or those recovering from surgeries. Remote monitoring provides continuous oversight, ensuring that any deviations from normal parameters are addressed promptly, thus reducing the risk of complications and improving recovery rates.

Peace of Mind for Families

Families of patients benefit from peace of mind knowing that their loved ones are under constant surveillance by our medical team, even when located at a remote spoke hospital. Transparent communication and timely updates further strengthen trust and satisfaction with our healthcare services.

Commitment to Innovation and Patient-Centric Care

The integration of remote monitoring technology underscores our commitment to innovation and patient-centric care. This initiative not only aligns with our mission to enhance healthcare accessibility but also reinforces our capability to deliver superior medical outcomes across our expansive network.

As we continue to advance healthcare delivery through technology-driven solutions, we remain dedicated to setting new benchmarks in patient care excellence. The integration of remote monitoring represents a significant stride towards achieving our goal of providing seamless, comprehensive healthcare services to communities we serve.

Incorporating remote monitoring technology into our hub-and-spoke model signifies a pivotal advancement in healthcare delivery. We are proud to leverage cutting-edge tools to improve care coordination, empower our medical professionals, and ultimately, enhance the well-being of our patients. This initiative exemplifies our ongoing commitment to innovation, excellence, and compassionate healthcare.

Operational Performance

In-patient Admissions
(Nos.)

FY 2024	87,736
FY 2023	86,864
FY 2022	66,082

Out-patient Consultations
(Nos.)

FY 2024	12,77,087
FY 2023	12,40,569
FY 2022	8,40,000

Bed Capacity
(Nos.)

FY 2024	1,935
FY 2023	1,655
FY 2022	1,500

Operational Beds
(Nos.)

FY 2024	1,324
FY 2023	1,186
FY 2022	1,147

Occupancy Rate
(%)

FY 2024	47.9
FY 2023	55.4
FY 2022	44.6

Paediatric Surgeries
(Nos.)

FY 2024	7,088
FY 2023	6,379
FY 2022	4,530

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

FY 2024	55,853
FY 2023	48,932
FY 2022	52,159

Gynaecology Surgeries
(Nos.)

FY 2024	7,579
FY 2023	6,638
FY 2022	5,510

Average Length of Stay
(Days)

FY 2024	2.65
FY 2023	2.76
FY 2022	2.83

HOW WE PERFORMED

Intellectual Capital

Driving Clinical Excellence and Innovation

Our intellectual capital is a cornerstone of our success, underpinning our commitment to clinical excellence, innovation, and patient-centric care. Our strategic initiatives and investments in intellectual capital have fortified our position as a leader in paediatric and perinatal healthcare.

Clinical Expertise and Patient-Centric Approach

Our robust clinical expertise is pivotal in managing complex medical cases with precision and compassion. We prioritise a patient-centric approach across all facets of our operations, ensuring that every decision and service delivery enhances patient outcomes and satisfaction.

Digitisation of Healthcare Ecosystem

Recognising the transformative potential of digital technology, we have embarked on a comprehensive digitisation journey across our healthcare ecosystem. By integrating advanced digital solutions, including Electronic Medical Records (EMR), telemedicine platforms, and AI-driven diagnostics, we optimise clinical workflows, improve diagnostic accuracy, and enhance operational efficiency. This digital transformation not only elevates the quality of care but also fosters seamless communication and collaboration among healthcare teams, benefiting patients and caregivers alike.

Strategic International Collaborations

Our strategic collaborations with international healthcare institutions amplify our intellectual capital by facilitating knowledge exchange, adopting global best practices, and staying at the forefront of medical advancements. These partnerships enable us to offer cutting-edge treatments, leverage innovative technologies, and enhance our clinical protocols, ultimately raising the standard of care for our patients.

Industry-Leading Training Programmes

Investing in continuous learning and development is integral to nurturing our intellectual capital. Our industry-leading training programmes empower our medical professionals with the latest clinical knowledge, advanced procedural skills, and specialised certifications. By fostering a culture of lifelong learning, we ensure that our team remains adept at addressing evolving healthcare challenges and delivering optimal patient outcomes.

Commitment to Excellence and Innovation

Our unwavering focus on intellectual capital underscores our commitment to excellence, innovation, and compassionate healthcare delivery. By harnessing our clinical expertise, embracing digital innovation, fostering international collaborations, and prioritising continuous learning, we strive to redefine paediatric and perinatal healthcare standards. Through these strategic initiatives, we not only enhance our organisational capabilities but also enrich the lives of the communities we serve.

As we continue to advance in intellectual capital, we remain steadfast in our mission to provide exceptional healthcare solutions, empower our healthcare professionals, and improve the health and well-being of every patient entrusted to our care.

OUR UNWAVERING FOCUS ON INTELLECTUAL CAPITAL UNDERSCORES OUR COMMITMENT TO EXCELLENCE, INNOVATION, AND COMPASSIONATE HEALTHCARE DELIVERY.

Clinical Expertise

Milestones in Paediatric Healthcare

Pioneering Medical Transport and Critical Care

01 Historic Airlift of Youngest ECMO Patient in India

An 18-month-old diagnosed with severe Influenza Pneumonia and respiratory distress was airlifted on ECMO from Goa to Hyderabad. After 29 days of therapy, the child recovered, marking a milestone in critical care transport in India.

02 Airlift for Infant with Chronic Lung Disease

Born prematurely at 26 weeks, this infant with chronic lung disease and pulmonary hypertension required ECMO during transport from Goa to Hyderabad, setting a precedent for paediatric critical care in Southeast Asia.

03 Emergency Removal of 50 Magnets

A seven-year-old underwent emergency surgery at Rainbow Children's Hospital, Vijayawada, for multiple magnet ingestion, demonstrating swift, life-saving intervention and specialised paediatric surgical expertise.

Advanced Intensive Care and Surgical Successes

04 Airlift and Recovery of Toddler with Kidney Failure

A 6-month-old suffering from Hemolytic Uremic Syndrome (HUS) and kidney failure was airlifted from Raipur to Bengaluru, receiving comprehensive PICU and nephrology care before achieving full recovery.

05 Successful Treatment of Child with Brain Arterio-Venous Malformation

A 10-year-old with a complex brain AVM underwent successful surgical excision at Rainbow Children's Hospital, Hyderabad, exemplifying advanced neurosurgical capabilities and successful outcome.

06 Management of Pregnancy Complications

A 32-year-old with anti-phospholipid antibody syndrome (APLA) and recurrent pregnancy loss successfully delivered a healthy baby after specialised maternal-foetal medicine care, highlighting expertise in high-risk pregnancies.

Specialised Medical and Surgical Interventions

07 Resolution of Breathing Difficulties through Cardiac Surgery

A 4-year-old with severe breathing difficulties due to pulmonary sling underwent successful cardiac surgery, showcasing Rainbow's proficiency in diagnosing and treating complex congenital heart conditions.

08 Successful Management of Rare Metabolic Disorder

Rainbow managed a 3-day-old infant with Fructose 1,6-bisphosphate deficiency, a rare metabolic disorder, ensuring early diagnosis, specialised treatment, and ongoing care for optimal health outcomes.

09 Complex Liver Transplant in Infant

A 3-month-old with biliary atresia underwent a successful liver transplant at Rainbow Children's Hospital, demonstrating multidisciplinary expertise in managing severe paediatric liver conditions.

10 Rare Liver Transplant Success

A five-year-old with life-threatening jaundice and organ failure was saved at Rainbow Banjara Hills Hospital through urgent liver transplantation despite different blood groups. Intensive care, plasmapheresis, and special medications led to a full recovery.

11 Transcatheter management of acute pulmonary thromboembolism

A 14-year-old with a bleeding disorder, fever, and respiratory distress was diagnosed with pulmonary thromboembolism. After unsuccessful heparin treatment, a thrombosuction catheter restored partial flow. Continued heparin and TPA resolved the thrombus. The child was discharged after a week and recovered fully at six months.

Neonatal and Paediatric Critical Care Excellence

12 Neonatal Rescue and Recovery

Rainbow's team successfully treated a newborn with Congenital Diaphragmatic Hernia, providing intensive care and achieving significant recovery milestones, emphasising expertise in neonatal critical care.

13 Complicated Tracheo-Esophageal Fistula (TEF)

A 1.8 kg baby with Tracheo-Esophageal Fistula, multiple cardiac anomalies, and pulmonary hypertension was transported to Rainbow Chennai. The baby was stabilised using appropriate ventilation strategies and successfully operated on the third day of life.

14 Annular Pancreas with Duodenal Atresia Successfully Treated in Newborn

A 2.2 kg full-term neonate initially suspected of pyloric stenosis developed bilious vomiting. A laparotomy revealed annular pancreas with duodenal obstruction. A duodenoduodenostomy was successfully performed, and the baby has now recovered.

15 Emergency Neurosurgery for Severe Traumatic Brain Injury

A 4-year-old with traumatic brain injury received life-saving neurosurgery following expert coordination and rapid air transport to Rainbow Children's Hospital, setting a benchmark in critical paediatric neurosurgical care.

16 Successful Recovery from Severe Neck Injury

Rainbow's team managed a two-year-old with a severe neck injury, performing successful tracheal repair and ensuring smooth recovery, highlighting acute surgical and intensive care capabilities.

International Collaboration and Advanced Medical Care

17 International PICU Intervention

Rainbow cared for a 5-year-old from Yemen with critical symptoms, requiring prolonged PICU care and specialised interventions, exemplifying global outreach and advanced paediatric critical care expertise.

18 LV Submitral Aneurysm Managed by Trans-Catheter Route

A 16-year-old from Nairobi with a previous LV aneurysm repair needed a new closure after a football injury. The cardiac team used a 12F delivery system and a 24 mm device to close the aneurysm transcatheterly. The child recovered quickly and was discharged within 48 hours.

19 ECMO Success for Paediatric Pneumonia

A 3-year-old with severe pneumonia was successfully treated with ECMO at Rainbow Children's Hospital, Bengaluru, showcasing advanced respiratory support capabilities and positive treatment outcomes.

20 ABO Incompatible Paediatric Renal Transplant

Rainbow Children's Hospital, Chennai, performed a groundbreaking ABO incompatible renal transplant on a 16-year-old, highlighting expertise in paediatric transplantation and improving quality of life.

Conclusion

We continue to redefine paediatric healthcare through groundbreaking interventions, advanced critical care capabilities, and international collaborations. These milestones underscore our commitment to excellence, innovation, and compassionate care, ensuring optimal health outcomes for every child entrusted to our expertise.

Digital Transformation

Electronic Medical Records (EMR) Integration

Objective

Digitising Patient Health Records

Implementation

Successfully integrated EMR systems across our hospital network.

Impact

- Enhanced efficiency and accuracy of healthcare delivery
- Seamless access to patient information for informed treatment decisions
- Improved patient safety, care coordination, and clinical outcomes

Advancements in Hospital Information System (HIS)

Transition to Arcus Air

Features

- Robust infrastructure on Amazon Web Services (AWS)
- Swift patient information retrieval
- Scalability and enhanced security

Enhancements

- Appointment booking and payment management
- Immediate responses upon hospital visits
- Secure data handling

Benefits

- Improved patient experience and operational efficiency

Salesforce CRM Implementation

Phased Implementation Across Departments

Modules

Sales Cloud

Streamlined on-ground sales operations, enhanced consultant connectivity and planning.

Service Cloud

Centralised lead management, optimised call center operations, improved customer service quality and experience.

Future Directions in Digital Innovation

Patient Lifecycle Management Platform

Technologies Under Exploration

- AI/ML (Artificial Intelligence/Machine Learning)
- NLP (Natural Language Processing)

Objective

- Efficient tracking of patient journey and integration of multiple services
- Automation of healthcare-related activities to optimise staff time
- Enhanced patient engagement and operational effectiveness

Conclusion

Rainbow continues to lead in digital transformation within the healthcare sector, leveraging advanced technologies to improve patient care, operational efficiency, and overall healthcare outcomes. The integration of EMR systems, adoption of Arcus Air HIS on AWS, and phased implementation of Salesforce CRM exemplify our commitment to innovation and excellence in healthcare delivery. Looking forward, our focus on AI/ML and NLP promises further advancements in patient lifecycle management, ensuring that we provide cutting-edge healthcare services to our patients with compassion and precision.

Forging International Alliances

During the year, Rainbow Children's Medicare Limited (RCML) forged strategic alliances with the Government of the United Republic of Tanzania and the Ministry of Health, Zanzibar, to establish comprehensive inter-institutional cooperation in paediatric healthcare. Additionally, we have governmental tie-ups with Oman. These collaborations signify our global recognition and commitment to extending specialised medical services internationally.

DNB Program

Overview

We operate the largest paediatric DNB (Diplomate of National Board) training program in private healthcare in India. This program offers post-graduate residential training in various specialisations, ensuring high-quality education and clinical experience.

Training Courses Offered

- Paediatrics
- Neonatology
- Paediatric Intensive Care
- Paediatric Sub-specialities
- Obstetrics
- Gynaecology
- Microbiology (Newly Introduced)
- Paediatric Anaesthesia (Newly Introduced)

Integration into Clinical Team

Upon completion of their DNB training at Rainbow, trainees seamlessly transition into the clinical team. This integration ensures a consistent approach to patient care and leverages the expertise gained during their residency.

Commitment to Excellence

We remain committed to providing comprehensive training in paediatrics and related fields, fostering the development of future leaders in paediatric healthcare. The DNB program not only supports academic growth but also ensures that trainees are equipped to deliver high-quality care, aligned with Rainbow's standards of excellence in patient outcomes and clinical innovation.

FY 2024 Achievements

Integration of Trainees

In FY 2024, 12 trainees from the DNB program were successfully integrated into Rainbow's clinical team, contributing to enhanced patient care and clinical excellence.

Expansion of Programmes

Introduced new training programmes in DNB Microbiology and FNB (Fellowship of National Board) Paediatric Anaesthesia, diversifying specialisations and strengthening healthcare capabilities.

Contributions to Research and Publications

Overview

We have made significant strides in the field of research and publications, contributing extensively to national and international journals. The research encompasses various specialties, reflecting our commitment to advancing paediatric healthcare through innovative practices and clinical excellence.

Key Highlights

Total Publications

Consultants and students contributed to a total of 63 publications in the current year, covering diverse areas such as Paediatric Neurology, Paediatric Critical Care, Neonatology, Hemato-Oncology, and Genetics.

Pioneering Neonatal Transport

A notable achievement includes pioneering the transport of neonates with Persistent Pulmonary Hypertension of the Newborn (PPHN) using High-Frequency Oscillatory Ventilation (HFOV) and nitric oxide. This groundbreaking effort represents the first of its kind in India, highlighting Rainbow's leadership in critical care transport for newborns.

Mechanical Ventilation Research

Research focusing on mechanical power during the ventilation of critically ill children has garnered widespread acclaim among clinicians globally. This contribution underscores Rainbow's commitment to advancing understanding and improving outcomes in paediatric critical care.

Impact and Recognition

The publications from Rainbow not only contribute to the body of medical knowledge but also enhance our reputation as a leader in paediatric research and clinical innovation. These efforts reinforce our dedication to improving patient outcomes and driving excellence in healthcare delivery.

Future Directions

Moving forward, we remain committed to furthering research initiatives across its specialties, continuing to publish impactful studies that contribute to the advancement of paediatric medicine globally. Our ongoing efforts in research and publications underscore our mission to provide cutting-edge care and continuously innovate in paediatric healthcare.

FY 2024 Performance

~75
liver, kidney and bone marrow transplants

1,000+
cardiac surgeries and procedures

63
Number of national and international journals to which our consultants and students contributed

WE REMAIN COMMITTED TO FURTHERING RESEARCH INITIATIVES ACROSS SPECIALTIES, CONTINUING TO PUBLISH IMPACTFUL STUDIES THAT CONTRIBUTE TO THE ADVANCEMENT OF PAEDIATRIC MEDICINE GLOBALLY.

HOW WE PERFORMED

Human Capital

Our facilities, infrastructure, and medical equipment are crucial to our ability to deliver comprehensive healthcare services and achieve superior patient outcomes. We remain dedicated to expanding our hospital network and investing in state-of-the-art capabilities, all aligned with our mission to provide the highest standards of care.

Overview

We place immense value on our human capital, comprising both expert medical professionals and skilled non-medical staff. Our commitment to nurturing their capabilities and fostering a supportive environment is fundamental to our success in driving clinical excellence and patient-centricity.

Doctor Engagement Model

Rainbow has pioneered a full-time doctor engagement model that continues to evolve through strategic initiatives. Our specialised Doctors Engagement division within the HR department is dedicated to meet the unique needs and career aspirations of our medical staff. This includes refining our talent acquisition processes to attract top-tier professionals and enhancing retention efforts through comprehensive development opportunities and institutional support for academics and research.

Senior Leadership

Our senior management team has been strategically bolstered to align with future organisational goals. This includes recent appointments at CXO levels, alongside other key leaders, all pivotal in advancing strategic initiatives for sustainable growth. A balanced scorecard approach ensures their focus spans business development and uncompromising patient care.

Training and Development Programmes

Rainbow priorities continuous enhancement of team capabilities through a robust training framework tailored for both clinical and non-clinical staff:

Structured Programmes

Includes communication improvement, Continuing Medical Education (CME), service orientation, and compliance with Prevention of Sexual Harassment (POSH) standards.

Leadership Development

Focused mentoring programmes nurture leadership skills, ensuring alignment with organisational goals.

Flagship Initiatives

Programmes like "Cure with Care" elevate patient experience through emotional regulation and collaboration. The "Rainbow Nurse Mentoring Program (RNMP) - Nurture" supports new nurses, fostering resilience and precision crucial for their roles.

International Exposure

The "UK Nursing Development Program (UKNDP)" offers nurses opportunities to work in the UK after three years at Rainbow, enhancing career growth.

Learning and Development Infrastructure

MedLern LMS

Our Learning Management System facilitates comprehensive learning across clinical and non-clinical modules, accessible from anywhere, particularly beneficial for frontline and nursing staff.

Academic Partnerships

Collaborations with esteemed institutions like the Skill Development Academy, PAN IIT, and Johns Hopkins University augment our training capabilities.

Clinical Excellence

Our academic departments in Obstetrics and Paediatrics, including super-specialties, are nationally recognised, with high demand for trainee positions and close to 100% student passing rates.

Simulation-Based Training

Emphasis on hands-on learning enhances skills and prepares staff for real-world challenges.

Research and Development Contributions

Rainbow contributes significantly to research and publications, with consultants and students publishing 63 articles in national and international journals. Notable achievements include pioneering neonatal transport methodologies and advancing mechanical ventilation practices in paediatric critical care.

Future Directions

Moving forward, we remain committed to fostering a culture of continuous learning and innovation. Our ongoing efforts in human capital development underscore our dedication to delivering exceptional healthcare services while pushing boundaries in paediatric medicine.

New Development Programmes

Revamped Induction Program

Focuses on functional aspects for new joiners, providing a comprehensive overview of our business model.

Management Development Program

Designed to help our managerial talent support leadership in strategy development, and execution planning, development while fostering talent growth.

First-time Managers Program

Helps associates transition to managerial roles, emphasising key behaviours like leadership, emotional intelligence, and business acumen.

Rainbow Leadership Development Program

Based on competency and potential assessments, these programmes aim to build agility, communication, and decision-making skills for leaders in a dynamic environment.

Talent Attraction, Recruitment and Retention

Our talent management strategy is geared towards building a diverse and competent workforce that excels in delivering superior patient care and contributes to an enriching work culture. This year, our recruitment initiatives have successfully tapped into diverse industry backgrounds, including hospitality and ITES, to enhance expertise and service delivery.

Our go-to-market strategy for attracting talent for non-medical roles has significantly increased applicant volume, allowing us to meet our hiring needs efficiently and swiftly. We have implemented a pay-for-performance model, offering differentiated salary raises to top talent, aligning compensation with current market trends. Following a comprehensive market survey in 2023, we revised the pay scales for nurses, ensuring their salaries are competitive with industry standards.

Additionally, our Train & Hire model for both medical and non-medical roles – such as Nursing, Patient Care, Maintenance, and IT – has expanded to include collaborations with colleges. By hiring fresh talent as interns and customising their development to meet specific business needs, we continue to foster a pipeline of skilled professionals ready to contribute effectively to our operations.

Diversity, Equity and Inclusion

We are dedicated to advancing Diversity, Equity, and Inclusion (DEI), recognising that true diversity contributes most effectively when supported by an inclusive environment and equitable practices. This year, we refined our approach to emphasise "Inclusion, Diversity, and Equity", prioritising inclusion as the foundation of our DEI efforts.

Our workforce is predominantly female, spanning multiple generations, and enriched by professionals from various industries beyond healthcare. This diversity fosters a dynamic environment, driving innovation and setting high standards of excellence.

To optimise the potential of our diverse team, we have launched structured IDE (Inclusion, Diversity, and Equity) sensitisation sessions. Initiatives such as an Inclusive Leadership Program, a Specially-Abled Hiring Program, and an Equity Readiness Survey are underway.

Our commitment is further reinforced by governance policies, including a Board Diversity Policy that promotes balanced leadership and ensures that our strategic decisions benefit from a broad range of perspectives.

Employee Engagement and Experience

We are dedicated to creating a positive and engaging work environment. We are currently transitioning to a new Human Resource Management System (HRMS). This contemporary Human Capital Management (HCM) platform is designed to offer tech-enabled touchpoints across the employee lifecycle, enhancing trust, transparency, accountability, and data availability.

To keep our team connected and informed, we have initiated quarterly Townhall meetings focused on business updates. Recognising the importance of work-life balance, we have revised our sandwich leave policy to provide more flexibility around holidays and weekends. Additionally, we engage our staff through diverse initiatives including recognition of top performers, festive celebrations, and birthday events, all aimed at fostering a vibrant social environment and maintaining high morale.

FY 2024 Performance

62%
Women representation in the workforce

67%
Employee retention rate

₹~1.13 Cr
Investments in the training and development of medical experts

68
Employee satisfaction/ engagement score






HOW WE PERFORMED

Social and Relationship Capital

We recognise the inseparable linkages between our sustainable growth and our relationships with patients and their families, our most important stakeholders. Our collaborative business partnerships, engagements at industry forums, and contributions to society are also fundamental to our objectives and integral to the way we conduct business.

Enhancing Patient Care and Experiences

At Rainbow, our commitment to patient-centric care is evident through various initiatives aimed at improving accessibility, convenience, and overall satisfaction:

Video Consultation Services

We offer secure video consultations that enable patients to engage with healthcare professionals from their homes, particularly beneficial for remote and underserved areas, reducing the need for in-person visits.

Outpatient Department (OPD) Improvements

Implemented a Q Management/ Token system to streamline processes, reduce wait times, and enhance patient satisfaction. Additionally, revamped the patient portal for efficient access to medical records, appointment scheduling, and educational resources.

Digital Health Education

Developed tailored digital health education materials, including videos on preventive care and coping strategies, to empower paediatric patients and caregivers with essential health information.

Online Support Groups

Established online support groups for patients and families facing similar health challenges, providing a supportive environment for sharing experiences and emotional support.

Patient Feedback Mechanisms

Implemented robust feedback mechanisms through online surveys, feedback forms, and follow-up calls to gather insights and enhance service delivery based on patient experiences.

Patient Safety Initiatives

Prioritised patient safety through regular disaster management drills, fall prevention methodologies, pharmacovigilance practices, and ongoing staff training on medication error prevention.

Strengthening Brand Connect and Trust

We employ strategic marketing initiatives to enhance brand visibility, trust, and loyalty:

Website Redesign

Overhauled the website with enhanced functionalities such as online appointment scheduling and educational resources, improving user experience and conversion rates.

Doctor Promotion Campaigns

Launched targeted digital campaigns highlighting medical expertise and patient testimonials to attract new patients seeking specialised paediatric care.

Social Media Engagement

Conducted interactive campaigns on social media platforms to engage users through contests and challenges, fostering community interaction and reinforcing our brand's value proposition.

Influencer Collaborations

Partnered with local influencers and parenting bloggers whose values align with our brand, leveraging their endorsements to enhance credibility and brand recall.

Experiential Marketing

Organised interactive installations and special events that create memorable experiences for children and parents, reinforcing our brand identity and encouraging word-of-mouth referrals.

Community Outreach Initiatives

We actively engage with the community to raise awareness about paediatric healthcare:

Accessible Healthcare Initiatives

Rainbow Children's Hospital is committed to supporting patients in need through a variety of initiatives aimed at making healthcare accessible and affordable. Recognising the financial challenges that many families face, the hospital offers assistance through crowdfunding support and generous discounts on medical services. These efforts ensure that every child receives the best possible care regardless of their financial situation.

Additionally, Rainbow Children's Hospital regularly conducts free medical camps, focusing on paediatric, gynaecological, and fertility care. These camps are designed to provide essential health services to underserved communities, ensuring that everyone has access to quality medical care.

Our team of highly skilled nurses performs essential health assessments, including measurements of Haemoglobin levels, Blood Pressure (BP), Height (HT), Weight (WT), and provides Physiotherapy consultations. These assessments helped in early detection and management of health issues, contributing to better long-term health outcomes.

Educational Support

Partnered with local organisations, schools, and community centers to conduct educational workshops, fostering trust and loyalty within the community. Sessions were held to make aware attendees about hygiene practices and the importance of maintaining updated vaccine charts. This crucial information empowered community members to take proactive steps in managing their health.

The Rainbow Children's Hospital Foundation, as part of our CSR activities, donated essential furniture, school supplies, and infrastructure items to government primary schools in Bengaluru and Chennai. This initiative was designed to address the critical educational needs of the students and to significantly enhance their learning environment.

YouTube Partnerships

Collaborated with YouTube to create informative videos addressing children's and women's health issues, combating misinformation and promoting accurate health information online.

All you need to know about Adenoviral Infection among Children: Symptoms, Care and Treatment.

Residential Welfare Association (RWA) and Corporate Tie-ups

Strengthened our presence through partnerships with RWAs and corporates, extending our outreach and community impact.

Through these efforts, we made a substantial positive impact on the health and well-being of the local community. The Company continues to demonstrate its commitment to support education and creating positive, long lasting impacts in the communities we serve.

Conclusion

These initiatives underscore our commitment to delivering personalised, accessible, and holistic healthcare while building strong relationships with patients, families, and the community. Rainbow continues to innovate and expand its footprint in paediatric healthcare, ensuring that every interaction reflects our dedication to excellence and patient well-being.

Fostering Collaborative Business Partnerships

We place a strong emphasis on fostering collaborative partnerships with our suppliers and vendors to ensure operational efficiency and enhance market reach. Our approach is centered around trust, open communication, and mutual benefit, ensuring that both parties thrive in our collaborations.

Key Strategies and Initiatives

01 Trust and Aligned Goals

We prioritise building trust with our suppliers and vendors by setting clear, aligned goals from the outset of our partnerships. This mutual understanding ensures that both parties are committed to achieving shared objectives, such as timely delivery of essential supplies and equipment.

02 Open Communication and Proactive Planning

Open communication is fundamental to our strategy, enabling us to maintain transparency and address challenges proactively. Regular meetings and proactive planning sessions help us anticipate potential disruptions and implement effective solutions swiftly.

03 Annual Meetings and Feedback Mechanisms

We conduct annual meetings with our distributors and manufacturers to strengthen relationships and provide a platform for feedback. These interactions allow us to address any concerns promptly and collaboratively plan for future developments.

04 Continuous Relationship Nurturing

We place significant emphasis on nurturing existing relationships, ensuring our partners feel valued and appreciated. This proactive approach fosters long-term collaboration and encourages mutual support during both stable and challenging business environments.

05 Exploration of New Opportunities

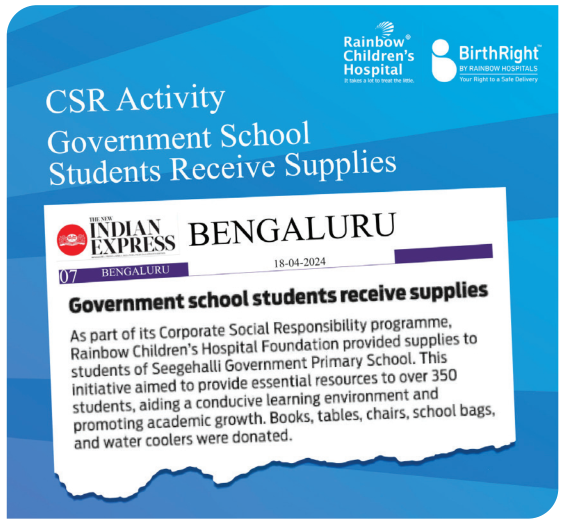
While nurturing existing relationships, we also explore new partnership opportunities to expand our network and leverage complementary strengths. This approach helps us capitalise on emerging market trends and enhance our operational efficiency.

06 Geographical and Functional Compatibility

We leverage the geographical strengths, sales, and marketing capabilities of our partners to enhance our market reach and operational efficiency. This strategic alignment ensures that our collaborations are mutually beneficial and contribute to sustainable growth.

Conclusion

By fostering collaborative partnerships with suppliers and vendors based on trust, open communication, and mutual benefit, we strengthen our operational resilience and expand our market reach. These initiatives underscore our commitment to sustainable growth and excellence in paediatric healthcare, ensuring that we deliver high-quality services and care to our patients and communities effectively.


CSR Activity
Government School Students Receive Supplies

Rainbow Children's Hospital
BirthRight BY RAINBOW HOSPITALS

THE NEW INDIAN EXPRESS BENGALURU
07 BENGALURU 18-04-2024

Government school students receive supplies

As part of its Corporate Social Responsibility programme, Rainbow Children's Hospital Foundation provided supplies to students of Seegehalli Government Primary School. This initiative aimed to provide essential resources to over 350 students, aiding a conducive learning environment and promoting academic growth. Books, tables, chairs, school bags, and water coolers were donated.

Rainbow Children's Hospital hosts ISPGHANCON 2023

Rainbow Children's Hospital proudly hosted ISPGHANCON 2023 from October 26th to 29th in Hyderabad. This prestigious international conference was organised in partnership with the Indian Society of Paediatric Gastroenterology, Hepatology, and Nutrition (ISPGHAN) and the Commonwealth Association of Paediatrics Gastroenterology and Nutrition (CAPGAN). The event was a resounding success, drawing over 300 esteemed national and international faculty members and delegates.

HOW WE PERFORMED

Natural Capital

At Rainbow, we are committed to sustainable practices that preserve natural capital and minimise our environmental footprint. Our initiatives focus on energy efficiency, emissions reduction, and responsible resource management across our facilities.

Energy Efficiency and Emissions Reduction

01 Solar Power Generation

We have installed solar rooftops and solar water heaters across ten of our facilities. These initiatives harness renewable energy sources to reduce our reliance on fossil fuels and lower greenhouse gas emissions.

02 Green Power Sourcing

Rainbow has entered into Memorandum of (MoUs) for the supply of solar and wind power through open access systems. This strategic move helps us significantly reduce our carbon footprint by utilising clean energy sources across key facilities located in Guindy, Sholinganallur and Anna Nagar in Chennai, Marathahalli and Bannerghatta Road in Bengaluru and our hospitals in Delhi.

03 Energy Optimisation Practices

We implement energy-saving measures such as motion sensors to control lighting, smart HVAC systems that adjust temperatures based on occupancy, and strategic management of operating theatre conditions during non-operational hours. These efforts enhance energy efficiency throughout our operations.

Energy Efficiency Measures

- Installation of solar rooftops, solar power pack, solar water heaters and energy-saving heat pumps
- Installation of automatic solar module cleaning sprinkler system for better efficiency
- Memorandum of Understanding (MoU) for Open Access power supply for renewable energies
- Internet of Things (IoT) technology for equipment upkeep and tracking energy & water consumption.
- IoT-based building management system for efficient HVAC operations
- Variable frequency drive installations to conserve energy across hospitals
- Installation of Motion sensors for auto switch off lighting system
- MDI reduction of existing unit for electricity cost reduction
- Switching to LED light fixtures
- Efficient Chillers, DG sets, and Pumps have been installed for new projects
- EV charger installations

FY 2024 Performance

~2,79,800 Units
Energy saved through energy conservation methods at three of our units which is equivalent to ~13.5% of total energy consumption of these three units

~13%
Energy sourced from renewable sources (Open Access & In-House Solar System)

~4,30,300 Units
Solar power generated across 10 units through rooftop solar plants, which is ~1.6% of total energy usage

~28,36,600 Units
Green power purchased, leading to a reduction of ~2,411 metric tonnes of CO_2

~2,700 MT
Total carbon emission reduction achieved through direct (solar panels) and indirect (open access) methods

~3,300 MT
Reduction of net carbon equivalent achieved by energy savings and usage of renewable energies (Including Solar Panels, Open Access, Solar Water Heaters)

~5,99,500 KWh
Total capacity of solar water heaters

33 kWP
Installation of solar power capacity at Hydernagar unit

58 kWP
Installation of solar power capacity at LB Nagar unit

~3,300 MT REDUCTION OF NET CARBON EQUIVALENT ACHIEVED BY ENERGY SAVINGS AND USAGE OF RENEWABLE ENERGIES (INCLUDING SOLAR PANELS, OPEN ACCESS, SOLAR WATER HEATERS)

Water Management

We are dedicated to implementing robust water management strategies across our facilities. Our initiatives focus on enhancing water conservation, integrating innovative technologies, and promoting responsible water usage practices to align with healthcare hygiene standards.

Adoption of Innovative Water-Saving Technologies

01 Sewage Treatment Plants (STPs)

We have implemented advanced sewage treatment plants across our facilities. These plants efficiently treat waste water to stringent standards, ensuring that treated water meets quality guidelines for safe reuse.

02 Water Reuse Systems

We emphasise the reuse of treated water from STPs for non-potable purposes. This includes irrigation, cooling systems, and other operational needs, thereby reducing demand on fresh water sources.

Responsible Water Usage Practices

01 Staff Education and Training

We conduct regular training sessions and awareness programmes for our staff to promote conscientious water use practices. This educational initiative ensures that all employees understand the importance of water conservation and adhere to guidelines for efficient water management.

02 Hygiene and Healthcare Standards

While prioritising water conservation, we maintain strict adherence to hygiene and cleanliness standards essential for healthcare settings. Our practices ensure that patient care and safety are upheld without compromising on water conservation efforts.

Positive Environmental Impact

By integrating these water management strategies, Rainbow contributes to sustainable operations and reduces its environmental footprint. The adoption of innovative technologies and responsible water usage practices not only supports our commitment to environmental stewardship but also enhances operational efficiency and cost-effectiveness.

Commitment to Continuous Improvement

Moving forward, we remain committed to advancing our water management initiatives. We continue to explore new technologies, optimise water reuse systems, and empower our staff through ongoing education and training. These efforts reinforce our dedication to sustainable healthcare practices and responsible corporate citizenship, ensuring a resilient approach to water management across our facilities.

FY 2024 Performance

~67 Mn Liters
Water recycled

~210 Mn Liters
Water conserved

Waste Management

We are committed to implementing a comprehensive waste management strategy aimed at reducing our environmental footprint while ensuring compliance with regulatory standards and promoting sustainable practices across our facilities.

Waste Reduction and Recycling Initiatives

01 Waste Reduction Programmes

We have initiated proactive waste reduction programmes that prioritise recycling, composting, and redesigning products to minimise resource consumption. This includes using recyclable materials for various consumer products such as patient kits, diapers, bags, and office supplies.

02 Use of Sustainable Materials

We emphasise the use of eco-friendly and non-toxic materials for children's products, including clothes, toys, and daily essentials. This commitment extends to selecting recyclable materials wherever possible, aligning with our sustainability goals.

Rigorous Waste Segregation and Disposal Practices

01 Pharmaceutical Waste Management

We adhere to stringent waste segregation practices, particularly for pharmaceutical waste, ensuring responsible disposal in compliance with environmental regulations. Clear labelling and colour-coding systems are employed to distinguish between hazardous and non-hazardous waste categories.

02 Biomedical Waste Disposal

We maintain strict adherence to regulatory standards for biomedical waste disposal. Our facilities implement robust procedures for the safe handling and disposal of biomedical waste, safeguarding both environmental and public health interests.

Training and Compliance

01 Staff Training and Education

Regular training and educational programmes are conducted for our staff to enhance awareness and proficiency in waste handling and disposal procedures. These initiatives include comprehensive guidelines on waste segregation, recycling practices, and regulatory compliance.

02 Inspections and Audits

Routine inspections and audits are conducted to monitor compliance with waste management protocols and identify opportunities for continuous improvement. These assessments ensure that our waste management practices align with environmental objectives and industry best practices.

FY 2024 Performance

~326 MT
Bio-waste disposed safely

~6 MT
Plastic disposed

Commitment to Sustainability

Rainbow remains steadfast in its commitment to sustainability and environmental stewardship through effective waste management strategies. By integrating recycling initiatives, promoting the use of sustainable materials, and maintaining rigorous waste disposal practices, we contribute to reducing our environmental impact while prioritising the safety and well-being of our employees and communities. Our holistic approach underscores our dedication to sustainable healthcare practices and responsible corporate citizenship, ensuring a resilient framework for waste management across our facilities.

Other Sustainability Measures

Three of Rainbow's facilities – located at Banjara Hills (Hyderabad), Guindy (Chennai), and Marathahalli (Bengaluru) – have earned green building certifications, including the World Bank/IFC's EDGE certification, highlighting our dedication to resource optimisation, energy savings, and water conservation.

We implement green procurement practices by choosing suppliers that meet sustainable and ethical standards. This strategy promotes sustainability throughout our supply chain and reduces the environmental impact of our operations.

Additionally, we engage our employees in sustainability through targeted education and training programmes. These initiatives raise environmental awareness and encourage active participation in our green efforts, cultivating a culture of sustainability across the organisation.

Conclusion

By integrating sustainable energy practices, implementing efficient resource management strategies, and prioritising environmental stewardship, we demonstrate our dedication to preserving natural capital. These initiatives not only contribute to mitigating climate change impacts but also uphold our commitment to responsible corporate citizenship and sustainable healthcare delivery. As we continue to innovate and expand, sustainability remains integral to our operational philosophy, ensuring a resilient and environmentally conscious approach in all facets of our business.

OUR GOVERNANCE AND LEADERSHIP

Governance Structure

Good governance is the foundation upon which our excellence thrives, fostering ethical decision-making, transparency, and long-term value creation for all stakeholders.

We recognise that robust corporate governance is essential, with trust and transparency being crucial for patient well-being and stakeholders confidence. Our Company approaches corporate governance not merely as a compliance obligation but with a genuine commitment to the spirit of governance.
We pride ourselves on exceeding regulatory requirements.

Our corporate governance philosophy is rooted in a rich legacy of fairness, ethics, and transparency. We have meticulously aligned our corporate structure, business operations, and disclosure practices with these principles, ensuring that all strategic decisions reflect our core values.

By prioritising good governance in all aspects of our operations, our Company fosters a culture of trust, transparency, and accountability. This foundation enables us to achieve and maintain business excellence, delivering value to all stakeholders and ensuring long-term, sustainable success.

Our Code of Conduct binds all our employees and directors. It ensures compliance with all pertinent laws and agreements in both financial and non-financial management. It also ensures fairness, transparency, and ethical practices in the workplace and business transactions.

Board Composition and Effectiveness

Diversity and Expertise: Our Board comprises a diverse array of individuals, each bringing extensive experience and expertise from various sectors including Healthcare, Finance, Risk Management,Corporate Governance, ESG & Sustainability, HR management and Information Technology. This diversity ensures comprehensive oversight and strategic decision-making, enhancing the effectiveness of our governance practices.

Board Performance Evaluations: Regular independent evaluations assess the Board's effectiveness in fulfilling its fiduciary duties, ensuring continuous improvement.

Board Committees

Committee Oversight and Effectiveness: The Board is assisted by six committees, whose delegated authority enhances role clarity and the effective execution of responsibilities throughout our business. These committees are tasked with governance issues and provide periodic reports to the Board on their activities. Board evaluates each committee's effectiveness by reviewing its activities against approved terms of reference in alignment with delegated powers and authority.

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. They warrant transparency, precision, and integrity in our financial reports.

Nomination and Remuneration Committee ensures that the right individuals are assigned the right roles within our organisation. They manage executive appointments, determine remuneration standards, establish performance goals, and supervise succession planning.

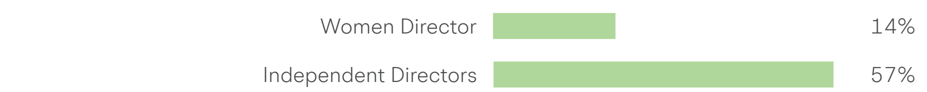
CSR & ESG Committee Supervises CSR initiatives to align organisational activities with societal duties, the committee also systematically evaluate and guide our company's performance across 3 dimensions: Environmental responsibility, Social impact and Governance excellence.

Risk Management Committee has the responsibility to review, evaluate, and mitigate risks that could disrupt our organisational goals. They establish risk management structures and monitor their efficiency, initiating corrective measures when necessary.

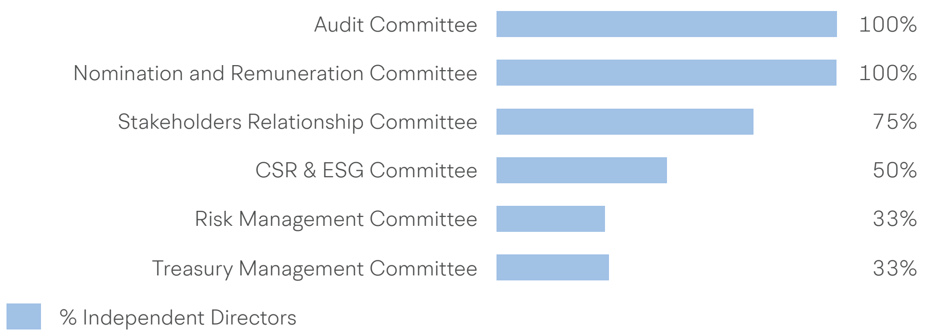
Stakeholders Relationship Committee oversees the relationships with all our stakeholders. They create communication strategies and engagement plans to make sure the opinions of stakeholders are factored into decision-making processes.

Treasury Management Committee overviews and supervises on the treasury operations of the Company like 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



Transparency and Accountability

Regular Communication with Stakeholders: We prioritise open communication with our stakeholders, actively engaging with investors, employees, patients, and communities through various channels such as town halls, comprehensive reports, and digital platforms. This commitment fosters trust and transparency, enabling stakeholders to have a clear understanding of our operations and decisions.

Timely Disclosure of Material Information: We adhere to strict disclosure norms, ensuring stakeholders are promptly informed of any material developments affecting the Company.

Robust Risk Management

Effective Compliance Management System: We maintain a robust compliance management system, ensuring adherence to all relevant healthcare regulations and ethical guidelines. Our risk management protocols have successfully addressed challenges such as supply chain disruptions during crises, safeguarding our operational sustainability and long-term viability.

Integrated Sustainability Risk Assessment: In line with our commitment to sustainability, we have implemented an integrated risk management framework that proactively identifies and mitigates environmental, social, and governance (ESG) related risks.

Stakeholders Engagement

Employee Empowerment and Engagement: We empower employees through open communication, skill development programmes, and strong ethical values, fostering a positive and productive work environment.

Stakeholder Collaboration and Responsive Feedback Mechanisms: Regular and meaningful engagement with stakeholders, including patients, employees, and the community. Feedback mechanisms are implemented, demonstrating responsiveness to stakeholder needs and concerns.

OUR GOVERNANCE AND LEADERSHIP

Board of Directors

Dr. Ramesh Kancharla
Chairman & Managing Director

Dr. Ramesh Kancharla is one of the promoters 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, Chennai, Tamil Nadu, and a Doctor of Medicine (MD) in Paediatrics 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 paediatric healthcare.

Prior to establishing Rainbow Children's Hospital, he was associated with King's College Hospital, London, where he completed his specialist training in paediatric gastroenterology, hepatology, and nutrition.
Dr. Kancharla has been recognised with several prestigious awards, including the Lifetime Achiever of the Year in Paediatric 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 honoured 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 paediatric healthcare. In 2024, he was bestowed with 'healthcare leader of year' award at the Financial Express, Healthcare award, 2024.

Dr. Dinesh Kumar Chirla
Whole-time Director

Dr. Dinesh Kumar Chirla is one of the promoters of the company. Dr. Chirla is on the board of our company since 2005. He graduated (MBBS) from Marathwada University, MD (Paediatrics) from Dr. Babasaheb Ambedkar Marathwada University and DM (Neonatology) from Bombay University. He is Member of Royal College of Paediatrics' (MRCPCH) Royal College of Paediatrics, London, UK and was included in CSST (Neonatology) from Royal College of Paediatrics, London, UK. He was awarded FRCPCH from Royal College of Paediatrics, London, UK in 2015. He was also awarded FNNF in 2018 by National Neonatology Forum India.

After his training in India, he did Fellowship training Neonatology at Mercy Hospital, in Melbourne, Australia. Then moved to UK and worked as a Senior Clinical Fellow Neonatology at St. Michael's Hospital, Bristol, UK. He subsequently did Fellowship training in Paediatric Intensive care at Bristol Children Hospital, UK before returning to India.

He is associated with the Company from last 21 years. He is also the Director of Intensive Care for the Rainbow Group.

He is a Gold Medallist and has numerous prizes to his credit. He has 70 Research Publications to his credit and contributed to several text books. He is also instrumental in creating Guinness book of world record of largest gathering of preterm babies under one roof and LIMCA RECORD-Saving smallest baby Cherry in south Asia (Bwt 375 grams). He created largest Neonatal and Paediatric Emergency Transport Network and implementing HFOV during transport. He was Chairperson - IAP Intensive Care chapter 2023 and is a VICE PRESIDENT NNFI 2024.

He conducted many National and International conferences. He is a invited Faculty for many National and International Conferences including Oration. He was awarded Best Doctor award by various organisation and felicitated by organisations for his contribution.

Ms. Sundari Raviprasad Pisupati
Independent Director

Ms. Sundari Raviprasad Pisupati holds a Bachelor of Laws degree from the National Law School of India University, Bangalore, where she was the university topper and a gold medalist. She also holds a Master of Laws degree from Columbia University School of Law, New York, and is a licensed lawyer in both New York and India.

With over 29 years of legal experience, Ms. Pisupati has handled large corporate and commercial transactions for domestic and international clients. She advises companies across various industries, including information technology, financial services, venture capital, infrastructure, biotechnology, and pharmaceuticals. Recognised in the Legal Powerlist 2020 as one of the Top Individual Lawyers, she also received the Certificate of Excellence as one of the "25 Most Trusted Corporate Legal Consultants to Watch in 2019" by Startup City. She is on the Board of our Company since September, 2021.

Mr. Aluri Srinivasa Rao
Independent Director

Mr. Aluri Srinivasa Rao holds a Bachelor of Pharmacy (Honours) 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 specialisation 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 organisations, 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.

Dr. Anil Dhawan
Independent Director

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 Paediatrics 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 licence to practice in USA.

He is the fellow member of the Royal College of Paediatrics 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 paediatric hepatologist at King's College Hospital, London, UK. Currently, he is associated with Kings College Hospital, London UK as Director Research and Innovation and the Director of Paediatric Liver GI and Nutrition Center and Mowat Labs. He is on the Board of our Company since August, 2018.

Mr. Santanu Mukherjee
Independent Director

Mr. Santanu Mukherjee holds a Bachelor of Science (Honours) degree from Presidency College, University of Calcutta. He is a certified associate of the Indian Institute of Bankers and has over 39 years of experience in the banking sector. Mr. Mukherjee served as the Managing Director of the State Bank of Hyderabad and also headed the French operations of the State Bank of India in Paris. Throughout his career, he has held various important positions in banking.

He is a member of the Board of Governors of the Institute of Management Technology, Hyderabad, and serves on the boards of several reputed companies, including Bandhan Bank Limited, Aurobindo Pharma Limited, NACL Limited, Suven Lifesciences Ltd, Muthoot Housing Finance Company Limited, and Sumedha Fiscal Services Limited. He is on the Board of our Company since October, 2021.

Dr. Adarsh Kancharla
Non-Executive Director

Dr. Adarsh Kancharla is one of the promoters of the Company. He holds a Bachelor of Medicine and Bachelor of Surgery (MBBS) and a Doctor of Medicine (MD) in Paediatrics from Sri Ramachandra Institute of Higher Education and Research, Chennai, Tamil Nadu. Dr. Adarsh is keenly involved in various managerial interventions and actively participates in diverse employee engagement endeavours to foster a dynamic and youthful organisational culture.

His passion for academia and research reflects in publishing papers in multiple national and international publications. He is on the Board of our Company since January, 2024.

Key Managerial Personnel

Mr. Sanjeev Sukumaran
Chief Operating Officer

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Mr. Sanjeev Sukumaran has over 26 years of experience in strategic management, business advisory, sales and marketing, business development, and client relationship management. His expertise spans various sectors, including healthcare, life sciences, financial services, software and IT, FMCG, big data, supply chain management, e-commerce, and shipping. He holds degrees in Mechanical and Marine Engineering and is an alumnus of the Indian Institute of Management (IIM), Kozhikode, and INSEAD Singapore, among other prestigious institutions.

Mr. Sukumaran is a core member of the start-up vertical at the Federation of Karnataka Chambers of Commerce and Industry (FKCCI) and serves as a mentor for the 10,000 start-ups initiative at NASSCOM.

Mr. Sukumaran plays a pivotal role in overseeing the operational strategy of our company, bringing a wealth of experience in streamlining operations, enhancing efficiency, and driving organisational growth. Mr. Sukumaran collaborates closely with functional heads, senior management and Board of Directors to implement strategic initiatives that align with the company's goals. His dedication to operational excellence and commitment to innovation significantly contribute to Company's continued success and market leadership. He is associated with the Company since April, 2023.

Mr. Vikas Maheshwari
Chief Financial Officer

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Mr. Vikas Maheshwari is a highly accomplished finance professional with over 26 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 optimise financial performance and drive sustainable growth. His proficiency in corporate finance & treasury management ensures effective capital utilisation 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.

Mr. Ashish Kapil
Company Secretary
& Compliance Officer

Mr. Ashish Kapil is the Company Secretary and Compliance Officer of our Company. He has been associated with the Company since October, 2021. Mr. Kapil is an alumnus of Delhi University and a member of the Institute of Company Secretaries of India and a Law Graduate. He has over 15 years of experience in secretarial, compliance and regulatory matters.

Mr. Kapil plays a crucial role in ensuring the smooth administration of the company, particularly in compliance with regulatory and statutory requirements. As a key governance professional, Mr. Kapil acts as an advisor to the Board of Directors on corporate governance matters.

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

Mr. Sanjeev Sukumaran

CHIEF FINANCIAL OFFICER

Mr. Vikas Maheshwari

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Ashish Kapil

STATUTORY AUDITORS

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

SECRETARIAL AUDITORS

M/s. Ravi & Subramanyam
Company Secretaries

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,
Karvy Lane, 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 and Analysis

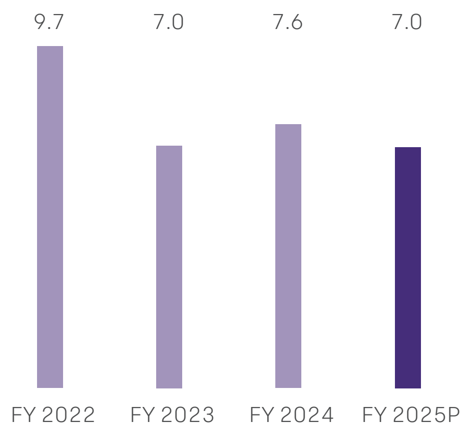
INDIA'S ECONOMY OVERVIEW

The Indian economy has witnessed strong growth in FY 2023-24, driven by robust investment growth in plant and machinery, strong momentum in manufacturing, and a modest improvement in trade. As per the second advance estimates released by the National Statistics Organisation (NSO), the Indian economy is forecasted to expand by 7.6%, surpassing the 7.0% growth observed in the previous year. Positive macroeconomic indicators, improved conditions in the labour market, heightened urban demand, and increased government emphasis on capital expenditure have also contributed to the overall economic growth.

The Reserve Bank of India's Monetary Policy Committee (MPC) has maintained the policy repo rate at a constant 6.5% over FY 2023-24, adhering to its 'withdrawal of accommodation' stance. The RBI has restated its commitment to maintaining headline inflation at 4%, and it has anticipated an inflation rate of 5.4% for FY 2023-24. The RBI's stance on inflation and its efforts to manage price stability are crucial in moderating these cost pressures, thus influencing the financial sustainability and the affordability of healthcare services.

Various e-commerce platforms have witnessed growth by adopting innovative digital payment methods like the unified payments interface (UPI). Digital payment transactions have significantly increased, up from ₹ 2,071 Crore in FY 2017-18 to ₹ 13,462 Crore in FY 2022-23, with a strong annual growth rate of 45%. As of 11th December, 2023, digital payment transactions for FY 2023-24 have already exceeded ₹ 11,660 Crore, indicating a continued

India's GDP Growth (%)



Source: NSO estimates dated 29th February 2024

RBI (Reserve Bank of India) MPC (Monetary Policy Committee) report dated 8th February 2024 trend of embracing digital payments. This growing acceptance of digital payments supports the hospital industry's transformation, making healthcare services more accessible and financially streamlined.

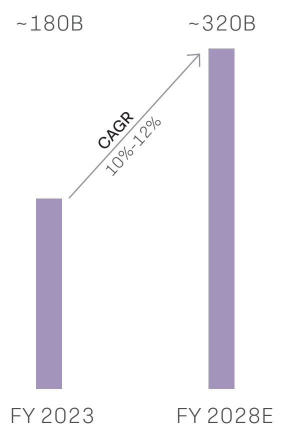
The positive sentiment is fuelled by an upswing in the private capital expenditure cycle, improved business sentiments and robust financial positions of banks and corporations. On the demand side, the optimistic outlook for household consumption and fixed investment bodes well for healthcare, as increasing disposable income and business confidence drive greater spending on health services and insurance. However, potential challenges like geopolitical tensions and market volatility may impact the broader economic climate, potentially influencing healthcare investment and access.

INDUSTRY OVERVIEW

Indian Healthcare Industry

India's healthcare industry largely comprises the key segments of hospitals, pharmaceuticals, diagnostics, medical devices and equipment, health insurance and medical tourism. The Indian healthcare industry was valued at around USD 180 billion in FY 2022-23 and is projected to grow to approximately USD 320 billion by FY 2027-28. Hospitals are a central pillar of India's healthcare system, reflecting both significant advancements and persistent challenges. Serving a population of over a billion, Indian hospitals have become complex institutions offering a wide array of services, ranging from primary care in local clinics to advanced treatments in state-of-the-art facilities. Hospitals are the most significant segment of India's healthcare market, accounting for approximately 71% of the market size. The healthcare sector's growth is driven by India's demographic shifts and a growing prevalence of non-communicable diseases (NCDs), combined with an increasing capacity for patients to afford healthcare.

Healthcare Market Size (USD Billion)



Source: Bain & Company

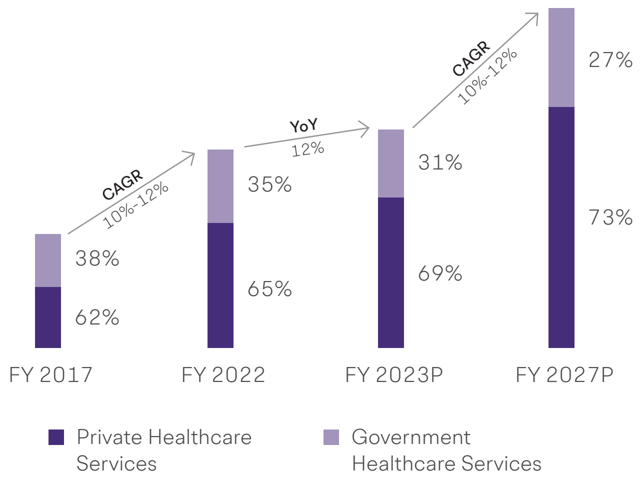
THE HEALTHCARE SECTOR IS EXPERIENCING INCREASING DEMAND DUE TO VARIOUS FACTORS, SUCH AS DEMOGRAPHIC CHANGES, A RISING PREVALENCE OF NON-COMMUNICABLE DISEASES (NCDs), AND AN INCREASED ABILITY TO PAY FOR HEALTHCARE.

The improvements in specialty and case mix, a better payor mix with a higher contribution from cash and insurance patients, and annual price adjustments by companies to counter cost inflation have supported the overall growth of the hospital industry. In FY 2023-24, the hospital industry's revenue growth is estimated to have ranged between 12% and 14%. The average revenue per occupied bed (ARPOB) is projected to grow by 8-10% in FY 2023-24, following a 10% increase in FY 2022-23.

The healthcare sector is experiencing increasing demand due to various factors, such as demographic changes, a rising prevalence of non-communicable diseases (NCDs), and an increased ability to pay for healthcare. As life expectancy rises, more people are reaching the age of 50/60 years and beyond, leading to a greater need for healthcare services. Furthermore, heightened health awareness due to urbanisation, rising income levels, greater health insurance penetration, and various central and state government schemes have boosted the capacity to pay for healthcare.

Healthcare service delivery is typically centred in urban areas due to better income levels and a higher availability of doctors and trained medical staff. The urban concentration has resulted in a higher rate of hospitalisation for both in-patient and out-patient treatments in cities compared to rural areas. Such shift is expected to expand the target population for corporate hospitals that operate at the higher end of the pricing scale. Besides the major cities like Mumbai, Delhi, Chennai, and Kolkata, rapid growth in cities such as Bengaluru, Gurugram and Hyderabad have created new healthcare micro-markets.

India has significant room for growth in healthcare infrastructure and spending, offering a substantial opportunity to bridge the gap between demand and supply. With government budgets being limited, the private sector is set to benefit from the anticipated industry growth. By FY 2026-27, the private healthcare sector is estimated to comprise 73% of the total healthcare services in the country. In addition, the total healthcare industry is estimated to expand by 10-12% Compound Annual Growth Rate (CAGR) till FY 2026-27. The number of large hospital chains are expected to grow in future, driven by their ability to invest and attract top clinical talent, the increasing need for complex medical procedures, and their appeal to insured and medical tourism patients.



Source: ICRA, CareEdge, Anand Rathi, Bain & Company

Digital Healthcare

Over the next decade, health care service delivery in India is anticipated to be shaped by technological advancements and the increasing adoption of digital health practices among both providers and patients. This trend is driven by a shift in mindset, technical innovations, infrastructure improvements, government support, and other key factors.

In parallel, private sector participants are leveraging digital technologies such as robotics, telehealth, artificial intelligence (AI), and 5G to provide tech-enabled care to their patients. Patients are also embracing technology, using it to maintain connections with the health ecosystem and manage their health more proactively. These developments are expected to accelerate the transformation of health care service delivery in India, leading to more efficient, accessible, and personalised care experiences.

Over 65% of India's population resides in villages, but only 40% of hospitals are in rural areas. Adopting 5G technology could enhance healthcare in these regions by enabling rapid telemedicine and faster ambulance response times. In FY 2021-22, India faced a 31% shortfall in primary health centres (PHCs) in rural areas. Digital healthcare solutions, like 5G-enabled telemedicine and virtual consultation kiosks, have the potential to transform rural healthcare, providing rural residents with access to quality medical services without the need to travel long distances. This technological integration can address rural healthcare disparities and improve overall health outcomes.

About 71% of Indian doctors find patient health data overwhelming, highlighting the need for Electronic Health Records (EHR) and telehealth. The World Health Organisation (WHO) estimates India needs 1.8 million more healthcare workers by 2030 to meet global standards. Artificial intelligence (AI) can assist by managing large volumes of patient data and enabling precision medicine. Additionally, with 65% of hospital beds serving only half the population, satellite centres in underserved areas could promote a more equitable distribution of healthcare.

Source: https://www2.deloitte.com/content/dam/Deloitte/in/Documents/public-sector/in-ps-the-future-of-health-noexp.pdf
https://www.bain.com/insights/healthcare-innovation-in-india/

Indian Healthcare Insurance Industry Overview

The India health insurance market was valued at USD 133 billion in 2023. According to the IMARC Group, the market is expected to grow to USD 291 billion by 2032, representing a CAGR of 9.1% from 2024 to 2032.

India's health insurance market is driven by a growing geriatric population, increasing cases of chronic diseases, and a rising number of healthcare facilities. Government programmes for economically vulnerable citizens and central government employees further boost demand, while insurers' cost-control efforts, niche insurance products, and the use of data analytics and artificial intelligence are enhancing the market's growth.

The health segment contributed 36.83% to the total gross direct premiums (GDP) for Non-Life Insurers year till date (YTD) December 2023, which is an increase from 34.62% as of December 2022, according to Insurance Regulatory and Development Authority of India (IRDAI). The growth rate for the health segment was 21.37% YTD December 2023, compared to 20.14% in December 2022. In the health insurance segment, the public sector insurers had a market share of 40.15% YTD December 2023, down from 45.98% in December 2022. The public sector insurers experienced a growth rate of 5.99% as of December 2023, lower than the 13.73% in December 2022. The private general insurers had a combined market share of 32.09% as of December 2023, up from 27.42% in December 2022. The private insurers experienced strong growth as compared to the other insurers by registering a growth rate of 42.05% in 2023, a significant increase from 26.03% in 2022. The standalone health insurers achieved a market share of 27.76% as of December 2023, slightly up from 26.61% in December 2022. They witnessed a growth rate of 26.63% for 2023, as compared to 26.34% in 2022.

OVER THE NEXT DECADE, HEALTH CARE SERVICE DELIVERY IN INDIA IS ANTICIPATED TO BE SHAPED BY TECHNOLOGICAL ADVANCEMENTS AND THE INCREASING ADOPTION OF DIGITAL HEALTH PRACTICES AMONG BOTH PROVIDERS AND PATIENTS. THIS TREND IS DRIVEN BY A SHIFT IN MINDSET, TECHNICAL INNOVATIONS, INFRASTRUCTURE IMPROVEMENTS, GOVERNMENT SUPPORT, AND OTHER KEY FACTORS.

Health insurance penetration across India is expected to increase in the coming years for several reasons. Rising medical inflation and the escalating costs of healthcare will likely drive more Indians to purchase health insurance to avoid depleting their savings or incurring heavy medical debt. Additionally, the "Digital India" initiative and the growing use of tablets and smartphones have made it easier than ever to buy insurance. As more people adapt to the convenience of purchasing insurance policies through online channels like apps and websites, the reliance on traditional methods such as insurance agents is expected to decline. This shift towards digital platforms could further boost health insurance penetration across India.

The combined effect of rising out-of-pocket expenses, greater health awareness, escalating medical inflation, higher rates of lifestyle diseases, and the government's supportive stance towards healthcare will make "insurance for all" a reality in India. These factors are driving more people to seek health insurance, setting the stage for broader coverage and greater access to healthcare services.

Source: IRDAI

https://www.imarcgroup.com/india-health-insurance-market

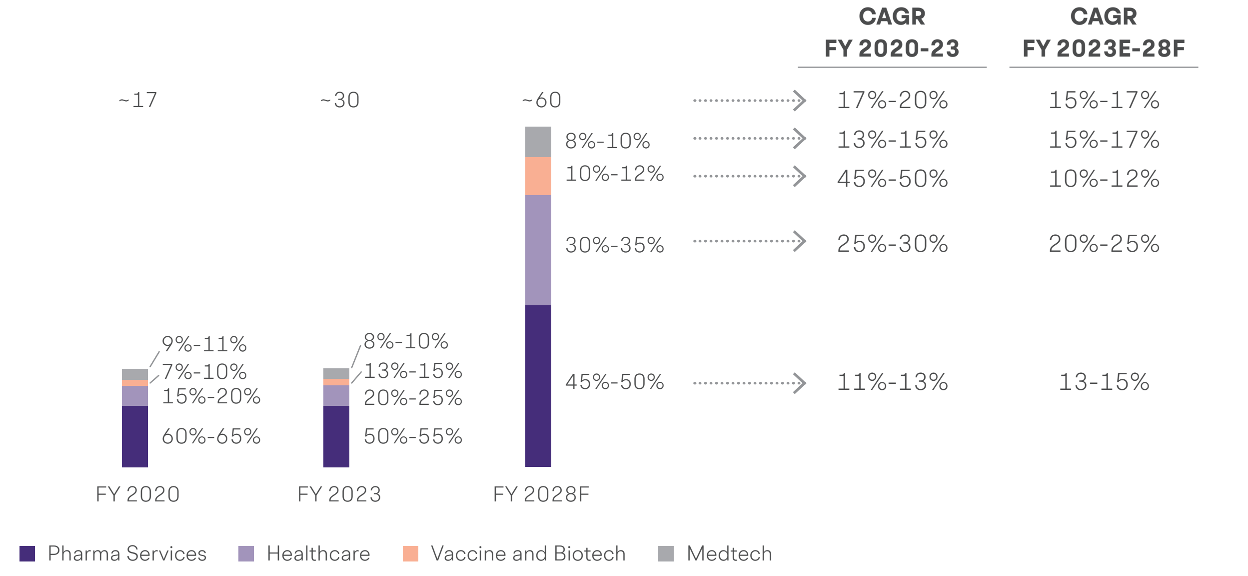
https://www.forbes.com/advisor/in/health-insurance/health-insurance-statistics/

Transformation of the healthcare sector

Innovation in healthcare, through technologies like telemedicine, artificial intelligence, and electronic health records, boosts the hospital industry by streamlining operations, enhancing patient care, and reducing costs, thereby driving growth, and improving overall efficiency. Healthtech made up about 25% of the healthcare innovation market in FY 2022-23, with its value more than doubling from around USD 3 billion in FY 2019-20 to approximately USD 7 billion in FY 2022-23. For decades, the Indian healthcare industry has led the way in innovating low-cost services and products for both domestic and international markets. In recent years, the industry has expanded its scope of innovation as companies embrace emerging technologies, creating new business models, software-driven solutions, and products that go beyond traditional value engineering approaches. These advancements have opened new pathways for innovation, enriching the healthcare landscape.

As of March 2024, healthcare innovation in India represents a USD 30 billion opportunity, primarily driven by pharma services and healthtech, with biotech and medtech sectors beginning to gain traction. The investment landscape has evolved, with growing interest in these areas and a shift toward positive unit economics in healthtech. The pharma services are expected to occupy a larger share in healthcare innovation in the coming period, growing at a CAGR of 13-15% by FY 2027-28. The healthcare innovation market is expected to reach USD 60 billion by FY 2027-28, driven by factors like consumer-focused healthcare, global value chain shifts, and increasing scientific expertise. These trends suggest major changes ahead, with potential for consolidation, new partnerships, and shifts in profit pools.

Healthcare Innovation Market Size (USD Billion)

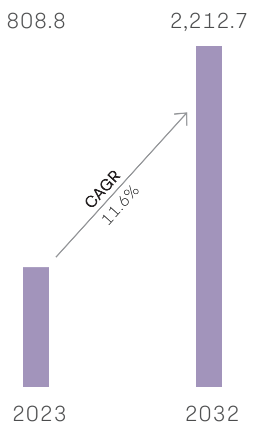


Global Maternity and Paediatric Care Industry

The global maternity and paediatric healthcare market has seen significant growth, with the market size reaching USD 808.8 billion in 2023. According to the IMARC Group, the market is expected to continue expanding, with a projected market size of USD 2,212.7 billion by 2032. This represents a CAGR of 11.6% during the forecast period from 2024 to 2032. The growth trend is influenced by rising awareness of maternal and child health, advancements in healthcare technology, and greater investment from both government and private sectors in healthcare infrastructure. The maternity healthcare sector has seen consistent growth due to factors like improved awareness of maternal health, progress in prenatal care, and more frequent institutional deliveries.

The paediatric healthcare market is experiencing rapid growth, driven by an increasing global child population and greater awareness of paediatric health issues. This expansion is fuelled by innovations in diagnostics, therapeutics, and vaccines specifically for children, along with a stronger focus on preventive care. The sector also benefits from increased healthcare spending and a wider variety of medical devices and support services designed for paediatric use.

Global Maternity and Paediatric Healthcare Market Size (in USD billion)

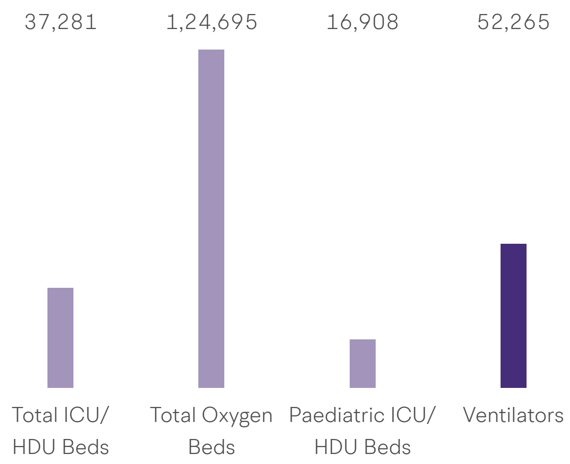


Source: IMARC Mother and Child Healthcare Market Report

Indian Maternity and Paediatric Care Industry

Critical care delivery in India has enhanced considerably over the past two decades with the strengthening of healthcare infrastructure. As of August 2022, there were 37,281 Intensive Care Unit (ICU) and High Dependency Unit (HDU) beds, along with 1,24,695 oxygen-supported beds. Paediatric care is evolving, with 16,908 ICU/HDU beds specifically-designed for younger patients. Additionally, the nation has 52,265 ventilators, essential for patients with severe respiratory conditions. These numbers reflect India's commitment to providing a diverse and comprehensive healthcare system that can cater to the needs of a large population, including the specialised requirements of paediatric care.

Total Number of Beds Available in India as of August 2022



Source: https://tn.data.gov.in/resource/stateuts-wise-icuhdu-beds-oxygen-beds-paediatric-icuhdu-beds-and-ventilators-reply

India's low spending on childcare products and services, despite having one of the highest birth rates globally, indicates a significant potential for growth in the paediatric healthcare sector. In 2022, India's average expenditure per child was ₹ 8,000, much lower than China's ₹ 46,000 and the United States' ₹ 24.1 Lakh. This gap suggests that as incomes rise and awareness about child health increases, the market for paediatric healthcare services could expand significantly.

With a birth rate of 16.4 per thousand in 2021, which is much higher than China's 7.5 and the United States' 11, India's maternity and paediatric healthcare sectors have a large and growing market to cater to. This high demand could foster growth in service delivery, encouraging more hospitals to offer specialised maternity and paediatric care, and opening doors for innovative health services and products tailored for mothers and children.

Greater investment in childcare products and services can lead to improved infrastructure, more widespread access to specialised maternal and paediatric care, and better health outcomes for children. These factors, combined with a broader focus on preventive healthcare, suggest a promising future for the paediatric healthcare market in India.

Source: https://www.business-standard.com/industry/news/india-s-childcare-market-expected-to-grow-on-the-back-of-macro-drivers-124011800169_1.html

THE PAEDIATRIC HEALTHCARE MARKET IS EXPERIENCING RAPID GROWTH, DRIVEN BY AN INCREASING GLOBAL CHILD POPULATION AND GREATER AWARENESS OF PAEDIATRIC HEALTH ISSUES.

GOVERNMENT INITIATIVES

Aayushman Bharat Scheme

Ayushman Bharat Scheme consists of two integral components: Ayushman Arogya Mandir and Ayushman Bharat PM-JAY.

- Ayushman Arogya Mandirs involves upgrading Sub Health Centres (SHCs) and Primary Health Centres (PHCs) in urban and rural areas to enhance community healthcare accessibility. As of 15th December, 2023, the Ayushman Arogya Mandir Portal has successfully operationalised 1.63 Lakh Ayushman Arogya Mandirs in the country
- Ayushman Bharat Pradhan Mantri - Jan Arogya Yojana (AB PM-JAY) stands as the world's most extensive publicly funded health assurance scheme. This initiative offers health coverage of ₹ 5 Lakh per family per year, specifically for secondary and tertiary care hospitalisations. As on 27th December, 2023, about 55 Crore individuals corresponding to 12 Crore families are covered under the scheme. Moreover, as of 20th December, 2023, around 28.45 Crore Ayushman Cards have been generated since the initiation of the scheme

The success of Ayushman Bharat programmes suggests a broader trend toward comprehensive healthcare for all, aligning with the growing emphasis on healthcare penetration and ensuring that even underserved populations have better access to medical services.

Ayushman Bharat Digital Mission

The Ayushman Bharat Digital Mission (ABDM), formerly known as the National Digital Health Mission, was introduced to establish a comprehensive national digital health system that ensures widespread health coverage in a cost-effective, easily accessible, inclusive, affordable, timely, and secure manner. As of 19th December, 2023, significant milestones have been achieved under ABDM, including the creation of 49.86 Crore Ayushman Bharat health accounts, registration of 2.60 Lakh healthcare professionals, and enrolment of 2.30 Lakh health facilities.

Global Initiative on Digital Health

Under India's G20 Presidency, digital health emerged as a focal point, concentrating on "Digital Health Innovation & Solutions for Universal Health Coverage (UHC) and enhanced healthcare service delivery." India launched the Global Initiative on Digital Health (GIDH) on 19th August, 2023, proposing it as an institutional framework to develop a global digital health ecosystem. The GIDH aims to create a 'common platform' for global collaboration, addressing the digital divide by advocating equitable access to technological tools and fostering innovation in digital health worldwide.

Medical Education

The number of medical colleges has seen an 82% increase, rising from 387 before 2014 to 706 as on 27th December, 2024, with 389 being government and 317 private institutions. Additionally, there has been a substantial growth of 112% in MBBS seats, escalating from 51,348 before 2014 to 1,08,940 on the same date. Moreover, PG seats have increased by 127%, progressing from 31,185 before 2014 to 70,674. Under the Central Sponsored Scheme for establishing new medical colleges, 157 have been approved in three phases, with 108 currently operational and the rest expected to become functional in the coming years.

FY 2024-25 Interim Union Budget Highlights

The Interim Budget for India in FY 2024-25 has introduced substantial measures to promote a healthier future for the Indian people. Key highlights in the recent budget include increased allocations for the Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PMABHIM), Ayushman Bharat-PMJAY, and the Production Linked Incentive (PLI) scheme, signalling a strong emphasis on accessible healthcare and sustainable development.

The key initiatives outlined in the budget include the following:

- The allocation for PMABHIM has been raised from ₹ 2,100 Crore in FY 2023-24 to ₹ 4,108 Crore in FY 2024-25
- The allocated budget for Ayushman Bharat (PMJAY) has been elevated from ₹ 7,200 Crore in FY 2023-24 to ₹ 7,500 Crore in FY 2024-25
- The budget allocation for the Production Linked Incentive Scheme has experienced an upswing, increasing from ₹ 4,645 Crore in FY 2023-24 to ₹ 6,200 Crore in FY 2024-25
- The government aims to establish additional medical colleges by leveraging existing hospital infrastructure
- Initiatives will be taken to encourage vaccination for girls aged 9 to 14 years, focusing on preventing cervical cancer
- Programmes will be introduced to address maternal and childcare concerns, consolidating them into a comprehensive initiative to enhance synergy in implementation
- Upgradation schemes will be launched under Saksham Anganwadi and Poshan 2.0, with the aim of improving nutrition delivery, early childhood care, and development
- The U-WIN platform for managing immunisation, along with intensified efforts of Mission Indradhanush, will be implemented nationwide
- Healthcare coverage under the Ayushman Bharat scheme will be expanded to include all ASHA workers, anganwadi workers, and helpers
- The budget allocation for biotechnology research and development has been increased from ₹ 500 Crore in FY 2023-24 to ₹ 1,100 Crore in FY 2024-25
- The Interim Union Budget for FY 2024-25 aligns seamlessly with the vision of fostering a technologically advanced and innovative India by allocating a significant fund of ₹ 1 Lakh Crore for technology financing

Source: https://www.healthcareradius.in/government-policy/budget-2024-25-at-a-glance-for-indias-healthcare-sector#:~:text=Total%20Healthcare%20Expenditure%3A%20Total%20expenditure,4%2C108%20Crores%20in%202024%2D25

RAINBOW HAS 12 NABH-ACCREDITED HOSPITALS, 3 EDGE-CERTIFIED HOSPITALS, AND THE DISTINCTION OF INDIA'S FIRST JOINT COMMISSION INTERNATIONAL (JCI) RECOGNISED REPRODUCTIVE CENTRE. THE COMPANY ALSO HOLDS THE DISTINCTION OF OPERATING INDIA'S FIRST JCI-ACCREDITED PAEDIATRIC HOSPITAL.

TRENDS AND OPPORTUNITIES IN THE INDIAN HEALTHCARE SECTOR

Low Market Penetration

With a population exceeding a billion people, there's a pressing need to expand healthcare infrastructure, particularly in rural and underserved areas. The Ministry of Health and Family Welfare has been granted a significant allocation of ₹ 90,659 Crore in the interim budget for FY 2024-25, reflecting a noteworthy increase of 12.59% compared to the previous budget's revised estimates of ₹ 80,518 Crore for FY 2023-24. This substantial increase in funding reflects the government's commitment to enhancing healthcare coverage and services in India. This includes the establishment of hospitals, clinics, and diagnostic centres to improve accessibility. Expanding healthcare coverage and preventive healthcare initiatives could mitigate accessibility barriers and reduce the burden of disease, ultimately improving overall population health.

Positive Demographic Factors

India, with 17.76% of the world's population, stands as the most populated country in the world. As of 2023, around 36.30% of the population lived in urban areas, reflecting a trend towards increasing urbanisation. The median age of the Indian people has been 28.20 years, indicating a predominantly young population. The demographic scenario in India, marked by a sizeable population, the rise of the middle class, an uptick in nuclear families, and a youthful age structure, is propelling the demand for healthcare.

Enhanced Health Awareness

Enhanced health awareness stands as a pivotal opportunity for promoting the growth of the healthcare industry in India. As people are becoming increasingly cognizant of the significance of preventive healthcare and lifestyle choices, there emerges a growing demand for wellness products and services. Additionally, heightened awareness prompts individuals to seek regular health screenings and consultations, driving demand for diagnostic services and telemedicine platforms.

Rise in Lifestyle Diseases

The prevalence of lifestyle diseases, with around 10.1 Crore individuals having diabetes, has further increased the importance of healthcare given the potential progression of these conditions into terminal illnesses. The FY 2023-24 witnessed an increased emphasis on mental health awareness and services, with a growing focus on integrating mental health into primary care. Moreover, there is a notable trend towards utilising technology for remote mental health interventions.

Expanding Medical Travel

The flourishing healthcare industry has elevated India's global standing in healthcare and boosted its economy by attracting substantial revenue from foreign patients seeking specialised and cost-effective medical treatments. Between January and December 2023, approximately 6.87% of Foreign Tourist Arrivals visited the country for medical and wellness purposes, totalling 6.35 Lakh.

Effective Regulatory Environment

The Indian healthcare industry benefits from a robust and effective regulatory landscape, which establishes a strong foundation for its growth trajectory. Mandates on essential infrastructure elements and workforce levels further bolster the industry's capability to deliver high-quality services. The regulatory framework promotes trust among stakeholders, encourages investment, and promotes innovation, ultimately paving the way for sustainable growth and development within the Indian healthcare industry.

The recently announced Digital Personal Data Protection Act, 2023 aligns healthcare data storage regulations with its provisions, particularly regarding patient data retention. However, it brings crucial controls over data processing and sharing, curbing instances of data commercialisation and ensuring individuals' control over their data. It imparts trust and transparency in healthcare practices while emphasising the need for harmonisation between existing regulations and the new Act.

The regulatory framework governing the healthcare industry, including hospitals, and the health insurance industry can be intricately linked, presenting an opportunity for the overall healthcare sector. The IRDAI has launched initiatives like Bima Sugam, Bima Vahak, and Bima Vistaar to promote insurance penetration, particularly in semi-urban and rural regions. In June 2023, IRDAI expanded the "use-and-file" method to encompass life insurance products, aiming to broaden consumer choices and expand market access. Focused on establishing a principle-centred regulatory system, IRDAI promotes business-friendly approaches and proactive risk management through a Risk-Based Supervision (RBS) framework. There have been significant changes in reinsurance regulations, including halving the minimum capital requirement for Foreign Reinsurance Branches (FRBs) to ₹ 50 Crore, with the aim to position India as a global reinsurance hub and simplify reinsurance formats. The insurance industry is gearing up for the adoption of IFRS 17 (or Ind AS 117) by 1st April, 2025, with phased implementation involving 15 identified insurers, expected to impact accounting rules without fundamentally altering insurers' financial positions.

https://www.meity.gov.in/writereaddata/files/Digital%20 Personal%20Data%20Protection%20Act%202023.pdf
https://www.iasplus.com/en/news/2024/02/india-ifrs-17
https://www.grantthornton.in/globalassets/1.-member-firms/ india/assets/pdfs/insurance-series_ii_may-july_23.pdf
https://www.thehindubusinessline.com/money-and-banking/ top-15-insurance-companies-to-adopt-ind-as-from-april-2024/ article67165345.ece
https://prsindia.org/billtrack/digital-personal-data- protection-bill-2023

Collaboration and Consolidation Trends

Hospital chains are increasingly forming strategic partnerships, alliances, and joint ventures with other healthcare providers, technology firms, and pharmaceutical companies to enhance service offerings, improve operational efficiencies, and drive innovation. Simultaneously, mergers and acquisitions are prevalent as larger players seek to expand their geographic footprint, access new markets, and diversify their service portfolios through the acquisition of smaller competitors. Additionally, specialised networks and consortiums are emerging to facilitate resource pooling, knowledge sharing, and standardisation of clinical practices. Such trends, scale and government-private partnerships, reflect a concerted effort to navigate evolving market dynamics, achieve economies of scale, and deliver high-quality healthcare services to a diverse and growing population in India. The value of private equity deals in the healthcare sector saw a 60% rise, surging from ₹ 296 billion in 2022 to ₹ 469 billion in the year-to-date as of December 2023. The healthcare deals' contribution to the overall PE space has reached its peak at 13% as of December 2023, compared to around 7% in 2019.

Source: https://www.forbes.com/sites/ bernardmarr/2023/10/19/2024-iot-and-smart-device-trends- what-you-need-to-know-for-the-future/?sh=64a540537f34

Outlook

Healthcare industry players are planning significant capital expenditures over the next four to five years. This reflects the industry's confidence in continued growth and the need to expand capacity and infrastructure to meet increasing demand for healthcare services.

Metropolitan areas are anticipated to be central to this upcoming capacity expansion. Cities like Delhi NCR, Mumbai, and Bengaluru are expected to see significant increases in hospital bed capacity over the next few years, indicating a strategic focus on these key urban centres for healthcare growth and development. Such factors are anticipated to drive the growth of hospital sector at a CAGR of about 15%, to reach a market size of ₹ 7.7 trillion by the end of FY 2024-25. The private hospital players are expecting to add over 30,000 beds in the next four to five years till 2029, with an investment estimated at around ₹ 32,500 Crore across the healthcare industry.

Additionally, major companies in the industry are actively seeking inorganic growth opportunities, potentially leading to the addition of further beds through mergers and acquisitions. Despite additional debt financing for expansion, robust accruals are expected to uphold strong debt metrics in the foreseeable future.

Sorce: ICRA January 2024 report

COMPANY OVERVIEW

Company Background

Rainbow Children's Medicare Limited (hereafter referred to as 'Rainbow' or 'the Company') initially started as a paediatric multi-specialty hospital in the year 1999 with a 50-bed capacity in Banjara Hills. In 2009, the Company expanded its scope to include maternity care (gynaecology/ obstetrics), constituting around 30% of its total revenue in FY 2023-24. Rainbow has experienced significant growth, emerging as a leader in the fields of paediatrics, obstetrics, and gynaecology. The Company's paediatrics services include neonatal, and paediatric intensive care, multi-specialty care services, and quaternary care, such as multi-organ transplants in children. The Company's women's care services, provided under "Birthright by Rainbow", includes perinatal care offerings. Women's care services comprise a diverse range of treatments and support, including normal and complex obstetric care, multi-disciplinary foetal care, perinatal genetic and fertility care, as well as a variety of gynaecology services. Rainbow operates 19 hospitals with a total capacity of 1,935 beds, along with 4 outpatient clinics, across 6 cities in FY 2023-24. These cities include Hyderabad, Bengaluru, Chennai, Vijayawada, Vizag, and Delhi.

Rainbow has 12 NABH-accredited hospitals, 3 EDGE-certified hospitals, and the distinction of India's first Joint Commission International (JCI) recognised reproductive centre. The Company also holds the distinction of operating India's first JCI-accredited paediatric hospital. Driven by leadership from Dr. Ramesh Kancharla, with over 20 years of practicing experience in Paediatrics Hepatology and Liver Transplantation, Rainbow provides comprehensive healthcare services across its core specialties.

The Company operates on a hub-and-spoke model, where the central hospital delivers comprehensive outpatient and inpatient care, with a particular emphasis on tertiary and quaternary services. Simultaneously, the satellite facilities provide emergency care in paediatrics and obstetrics, extensive outpatient services, as well as comprehensive obstetrics, paediatric, and level 3 NICU (Neonatal Intensive Care Unit) services. This operational model has proven successful in Hyderabad and Bengaluru. The Company aims to replicate this approach in Chennai and across the National Capital Region, with subsequent plans for expansion into tier-2 cities in Southern India.

SWOT ANALYSIS

STRENGTHS

Dedicated Child-Centric Healthcare Network

Rainbow has built a robust framework within an environment centred around children, highlighting the importance of cohesive multidisciplinary principles. The Company believes that creating a child-friendly atmosphere is crucial for providing high-quality paediatric care. The hospital's staff undergoes special training to interact with children in a friendly and reassuring manner. This environment significantly reduces stress and anxiety during hospital visits, improving treatment outcomes and increasing patient satisfaction. Additionally, it builds confidence and trust among children, their families, and the hospital staff, playing a vital role in efficient paediatric care delivery.

Innovative Doctor Engagement

Rainbow has a distinctive doctor engagement model where doctors work exclusively on a full-time, retainer basis to provide 24/7 consultant-led services, particularly crucial for children's emergency, Neonatal, and Paediatric intensive care services, as well as supporting paediatric retrieval services. The necessity of a 24/7 doctor model in a children's hospital is underlined by the fact that around 70% of paediatric business is emergency-based. By ensuring the availability of doctors round the clock, with a team of over 775 full-time doctors, Rainbow boasts a wealth of expertise and the ability to deliver prompt and efficient care to its young patients. Several of Rainbow's doctors specialising in neonatal care, paediatric intensive care, paediatric sub-specialties, obstetrics, and gynecology have received training and hold qualifications from the United Kingdom, United States, Canada, and Australia, providing Rainbow with a strong competitive advantage. Additionally, the Company runs the largest paediatric DNB (Diplomate of National Board) training programme in private healthcare in the country, providing postgraduate residential DNB and fellowship programmes.

Pioneer in Paediatric and Perinatal Healthcare

The Company specialises in delivering healthcare services within the crucial domains of paediatric and perinatal care. It possesses expertise in various specialised medical disciplines, including neurology, nephrology, oncology, cardiology, among others. A key strength of the Company is its remarkable ability to collaborate effectively across both paediatric and prenatal services. This sets the Company apart from competitors and positions it prominently within the healthcare industry.

Distinctive Brand and Patient Loyalty

Rainbow has strategically positioned its brand as a premier provider of paediatric healthcare services, earning a distinguished reputation for advanced medical care and specialised treatment options. This reputation not only draws in patients and referrals from healthcare professionals but also enhances the hospital's visibility and market share. The robust brand positioning serves to set the hospital apart from competitors, promoting patient loyalty. A distinctive identity and image has also facilitated in building an emotional bond that encourages continued reliance of the Company's patients on the institution for future healthcare requirements.

Multi-Disciplinary approach

The hospital incorporates a culture that seamlessly integrates professionals from diverse medical disciplines, ensuring each patient receives a comprehensive and integrated healthcare treatment. Specialists in paediatrics, neurology, nephrology, oncology, cardiology, and other relevant fields collaborate closely to create personalised treatment plans, leading to more informed decision-making and enhanced overall care quality. This commitment to collaboration extends beyond the medical staff to include support personnel such as nurses, therapists, and administrative staff, adopting a unified and coordinated approach throughout every aspect of patient care.

Unique Hub-and-Spoke Model

Rainbow utilises a hub-and-spoke model, wherein a central hospital, known as the hub, serves as the focal point in a region. The hub, equipped with key facilities for highly complex surgeries and super-specialists, offers a range of services from secondary to tertiary to quaternary care, ensuring comprehensive healthcare. The hub maintains a minimum capacity of 100 beds. Complementing the hubs are smaller-scale hospitals, referred to as spokes, each with a minimum capacity of 50 beds and facilities for secondary and tertiary care. Presently, Rainbow operates under four hubs: (i) Banjara Hills, Hyderabad, (ii) Marathahalli, Bengaluru (Bangalore), (iii) Guindy, Chennai, and (iv) Malviya Nagar, Delhi.

The Hub-and-Spoke model exhibit several features, including increased accessibility to remote areas as regional spokes are situated 200-250 kilometres away from city hubs, enhanced utilisation of super-specialised PICU (Paediatric Intensive Care Unit) & NICU beds and other specialised services at hubs, improved traffic mix of secondary, tertiary, and quaternary care, and low asset intensity. The hub-and-spoke model represents a cost-effective approach to extending its presence to remote regions, simultaneously optimising the asset utilisation of larger hubs. It has resulted in superior operational efficiency and a higher return on investments.

WEAKNESS

Capital-intensive industry

The Company actively practices proactive financial management and consistently invests in upgrading equipment to stay ahead of competitors in the healthcare industry. The swift obsolescence of technology in hospitals requires frequent updates to offer the latest treatments and services. However, making substantial investments in acquiring and maintaining equipment can strain the Company's financial resources. Additionally, the high costs linked to such equipment may lead to increased treatment expenses for patients, potentially limiting the Company's ability to attract individuals who cannot afford these costly treatments.

Intensive Regulations Requirement

The Company adheres to a range of regulations at the central, state, and local levels, covering diverse areas such as patient care, privacy, safety, and record-keeping. Failure to comply with these regulations may result in fines, legal repercussions, and damage to the hospital's reputation. Moreover, the healthcare industry's regulatory landscape is ever evolving, necessitating the hospital to allocate resources to stay updated with new regulations and ensure ongoing compliance.

The substantial burden of regulatory requirements can affect the hospital's capacity to deliver high-quality care to its patients. Meeting these regulations often proves to be a time-consuming process, diverting resources away from patient care and causing potential delays in essential services. Additionally, certain regulations might limit the hospital's ability to introduce innovative treatments or services that could otherwise benefit its patients.

OPPORTUNITIES

Underpenetrated Paediatric Market

In India, cities with populations ranging from 40 to 50 Lakh are experiencing rapid development across numerous sectors. However, the number of paediatric hospitals in these fast-growing cities is considerably low, limiting the availability of specialised treatment for seriously ill children. Consequently, the underpenetrated paediatric market presents a substantial opportunity for the Company to address the increasing demand for quality paediatric healthcare.

Increasing Maternity Age and Complications

With advancements in healthcare and societal shifts, more women are opting for delayed childbirth, leading to a greater demand for specialised maternity care. Rainbow's expertise across various medical disciplines positions it well to address the complexities associated with advanced maternal age. This strategic positioning offers the Company the opportunity to expand services, enhance its reputation, and contribute significantly to the well-being of mothers and infants in the country.

Strong Potential to Attract International Clients

Rainbow has strong potential to establish itself as a preferred destination for international patients seeking high-quality medical care, owing to its reputation for excellence in healthcare services, state-of-the-art facilities, and skilled workforce. Additionally, its strategic location within a medical tourism hub, coupled with its ability to offer competitive pricing without compromising on standards, enhances its appeal to overseas patients. Currently, Rainbow hospitals attract patients from Bangladesh, Bhutan, Bahrain, Kenya, Tanzania, Rwanda, Somalia, Sudan, and Maldives, among other countries.

THREATS

Increasing Competition

Rainbow faces competition from government-owned entities and private non-profit organisations, which benefit from potential tax advantages and the ability to finance capital expenditures through endowments and charitable contributions. Additionally, Rainbow may encounter challenges from new market entrants. To uphold and enhance its market position, the Company has implemented various strategies, including offering attractive compensation to attract and retain high-quality medical professionals and delivering quality services at competitive rates. However, these efforts might lead to reduced profitability for the Company. Successfully competing with its rivals could help Rainbow maintain or increase its market share in the industry.

Dependence on Healthcare Professionals

The success of business strategies and their implementation is heavily dependent on the Company's ability to attract, acquire, and retain medical experts in specialised disciplines such as paediatrics and obstetrics. Recruiting and retaining professionals in these key specialties is crucial, as their expertise significantly enhances the quality of patient care. Additionally, having specialists elevates the Company's reputation, resulting in increased referrals and revenue growth. However, India faces a shortage of experienced medical professionals. Skilled physicians, nurses, and technicians are also highly sought after by competitors, intensifying the challenge.

SIGNIFICANT PROGRESS WAS MADE IN MARKET PENETRATION WITH THE COMMISSIONING OF THREE NEW SPOKE HOSPITALS IN EXISTING CITIES. THE COMPANY ALSO ADDED NEW BLOCKS TO TWO OF ITS EXISTING FACILITIES. OVERALL, A TOTAL OF 280 BEDS WERE ADDED DURING FY 2023-24, THE HIGHEST EVER IN A SINGLE YEAR.

OPERATIONAL REVIEW

The Company continued to fortify its operations, achieving several notable milestones and implementing numerous new initiatives. All projects planned for FY 2023-24 were executed on schedule, reflecting the Company's commitment to effective project management and operational efficiency.

The Company demonstrated its clinical excellence through advanced medical intervention and the successful management of complex medical cases. Additionally, two hospitals i.e., Banjara Hills, Hyderabad and Marathalli, Bengaluru were accorded the prestigious Joint Commission International (JCI) accreditation, affirming the Company's dedication to providing healthcare services that meet global quality and safety standards.

Significant progress was made in market penetration with the commissioning of three new spoke hospitals in existing cities. The Company also added new blocks to two of its existing facilities. Overall, a total of 280 beds were added during FY 2023-24, the highest ever in a single year. The new hospitals in Himayatnagar, Hyderabad; Sarjapur, Bengaluru; and Anna Nagar, Chennai, along with the new blocks at Hydernagar and LB Nagar units in Hyderabad, will enhance accessibility to quality healthcare services and improve health outcomes.

With significant opportunities for expansion in the southern region, new hub hospitals are being established in these areas to further leverage the Company's strong brand presence. Progress on these projects, encompassing new hospitals in Hennur, Bengaluru; Rajahmundry, Andhra Pradesh; and Coimbatore, is on track, with these facilities expected to begin operations by the end of FY 2025. Additionally, the Company has secured two land parcels in Gurugram and is actively collaborating with architects in the planning and design phases.

The Company continued to strengthen its offerings to elevate patient outcomes. A dedicated transplant ICU was commissioned at the flagship unit in Hyderabad, aligning with the Company's focus on quaternary care. The Company also strengthened its air ambulance services for the transportation of critically ill children from various parts of the country. Another highlight was the enhancement of IVF services at several units through investments in infrastructure, technology, and specialised personnel.

The Company forged strategic alliances with the Government of the United Republic of Tanzania and the Ministry of Health, Zanzibar, to establish comprehensive inter-institutional cooperation in paediatric healthcare. These collaborations signify Rainbow's global recognition and commitment to extending specialised medical services internationally.

The Company has reinforced its sales efforts to drive performance and outreach. Emphasis was placed on strengthening both Business-to-Consumer (B2C) and Business-to-Business (B2B) sales channels, utilising advanced technologies such as Salesforce and Sales Cloud to enhance efficiency and outcomes of sales initiatives. Additionally, a dedicated corporate sales vertical was launched to tap into new market segments and diversify revenue streams.

Recognising the importance of robust backend operations for driving operational excellence and patient satisfaction, the Company implemented a comprehensive digital roadmap. Enhancements included payment gateway integration, the launch of a new website and app, the implementation of a new Hospital Information System (HIS), and the deployment of Business Intelligence (BI) dashboards.

To meet the increasing demands of its expanding network while maintaining high standards of patient care, the Company undertook several initiatives to strengthen its supply chain. Closer collaboration with vendors ensured timely delivery of essential supplies and equipment. The Company also invested in advanced technology solutions to streamline supply chain processes and optimise inventory levels.

FINANCIAL OVERVIEW

Financial and Operational Performance (Key highlights)

The Company delivered robust financial and operational performance during FY 2023-24 as detailed below:

Financial highlights (₹ in Millions)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
INCOME		
Revenue from operations	12,969.00	11,735.74
Other income	370.64	308.65
Total income	**13,339.64**	**12,044.39**
EXPENSES		
Cost of materials consumed	1,652.80	1,582.78
Employee benefits expense	1,761.70	1,440.61
Finance costs	590.54	551.95
Depreciation and amortisation expense	1,120.82	902.68
Professional fees to doctors	3,053.66	2,723.05
Other expenses	2,211.99	2,025.53
Total expenses	**10,391.51**	**9,226.60**
Profit before tax	2,948.13	2,817.79
Tax expenses:		
(a) Current tax	770.39	840.82
(b) Deferred tax credit	(5.13)	(146.80)
Total tax expense	**765.26**	**694.02**
Profit after tax	**2,182.87**	**2,123.77**

Particulars	FY24	FY23	YoY	FY24	FY23
			Growth	% on Revenue	
EBITDA	**4,288.85**	**3,963.77**	**8.20%**	**33.07%**	**33.78%**
Profit before tax	**2,948.13**	**2,817.79**	**4.63%**	**22.73%**	**24.01%**
Tax (Including Deferred Tax)	765.26	694.02	10.26%	5.90%	5.91%
Profit after tax	**2,182.87**	**2,123.77**	**2.78%**	**16.83%**	**18.10%**
EPS - Basic (₹)	**21.38**	**20.89**			
EPS - Diluted (₹)	**21.38**	**20.89**			
EBITDA (Pre-IND AS)	**3,563.86**	**3,369.52**	**5.77%**	**27.48%**	**28.71%**

REVENUE

We delivered a resilient financial performance for FY 2024, successfully navigating seasonal headwinds that affected patient inflow across the industry. The high base effect, due to increased footfalls and inpatient admissions in the previous year as children adapted post-COVID, also impacted the industry's performance. Our clinical and operational excellence, combined with cost optimisation measures, enabled us to overcome the external challenges and achieve our highest-ever revenue of ₹12,969.00 Million.

Revenue for FY 2023-24 amounted to ₹ 12,969.00 million, indicating a 10.51% increase from the FY 2022-23 revenue of ₹ 11,735.74 million. This growth is primarily driven by a 1.00% rise in inpatient volumes and a 2.94% increase in outpatient volumes coupled by ARPOB (Average Revenue per Occupied Bed) growth of 14.14%, despite a decline in occupancy from 55.4% to 47.9%. Growth in FY 2023-24 was primarily driven by our specialty services, including paediatric super-specialty, obstetrics, tertiary care, and quaternary care services. These services have high ARPOB with relatively lower ALOS (Average Length of Stay). Our superior case mix mitigated the impact of lower occupancy rates due to reduced seasonal business.

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

Particulars	Units	FY 2023-24	FY 2022-23	YoY Change
In-patient (IP) volume	#	87,736	86,864	1.00%
Out-patient (OP) volume	#	12,77,087	12,40,569	2.94%
Delivery volume	#	15,798	14,797	6.76%
ARPOB	₹	55,853	48,932	14.14%
ALOS	Days	2.65	2.76	(3.99%)
Occupancy	%	47.9%	55.4%	(13.54%)

EBITDA

In FY 2023-24, the EBITDA reached ₹ 4,288.85 million, reflecting a strong 8.20% increase from the FY 2022-23 figure of ₹ 3,963.77 million. This growth was propelled by a combination of strong revenue expansion and the consistent maintenance of an optimised cost structure.

PAT

In FY 2023-24, the Profit After Tax (PAT) amounted to ₹ 2,182.87 million (16.83% of revenue), indicating a growth of 2.78% in comparison to the FY 2022-23 figure of ₹ 2,123.77 million. Since the company is on expansion plan adding new leased hospitals, PAT is impacted due to IND AS 116 - the incremental impact of interest and depreciation under IND AS 116 vs the usual rental payments amounted to ₹ 201.50 million. PAT (Pre Ind AS 116) amounted to ₹ 2,384.40 million (18.3% of revenue).

Other Income

The Other income primarily includes interest income from fixed deposits, income from mutual funds, reversal of expected credit loss and other miscellaneous income, witnessing a remarkable 20.08% surge from ₹ 308.65 million to ₹ 370.64 million. This increase is attributed to:

a) an increase in income from mutual funds of ₹ 41.95 million, driven by rebalancing of investments from Fixed Deposits to higher yield generating Mutual Funds.

b) reversal of expected credit loss of ₹ 28.42 million on account of improvement in receivables collection.

EXPENSES

The Company experienced a 12.63% rise in total expenses, increasing by ₹ 1,164.91 million from ₹ 9,226.60 million in FY 2022-23 to ₹ 10,391.51 million in FY 2023-24. This upswing is primarily a result of a substantial increase in employee benefits expense by 22.29%, professional fees to doctors by 12.14%, and other expenses by 9.21%. The latter includes expenditures for contract wages, canteen, lab investigations, power and fuel, repairs and maintenance, business promotion and advertisement, Corporate Social Responsibility (CSR) expenses spends as well as legal and professional fees.

Medical Consumables and Pharmacy Items

The acquisition of medical consumables and pharmaceutical items involves the procurement of essential healthcare supplies, along with related GST, customs duty (for imported medicines), government taxes, and freight charges. These items incurred costs of ₹ 1,652.80 million in FY 2023-24 and ₹ 1,582.78 million in FY 2022-23, representing 12.74% and 13.49% of revenues, respectively. The decrease is attributed to better formulary mix, optimisation of consumption of materials and better negotiations. The Company has planned to sustain its cost transformation programme, focusing on procurement excellence by consolidating suppliers, standardising formulary, and adopted these standards across units. reviews across medical offerings and facilities.

Operational Excellence Initiatives

To achieve operational excellence, the Company has initiated centralised procurement of store requirements, implementing best-in-industry practices for inventory management such as 5S, Six Sigma, Lean principles, SCM Process Re-engineering, and technology transformation to reduce Turnaround Time (TAT), to maintain minimal inventory levels, and decrease logistics costs. The introduction of an online bidding and E-auction platform aims to enhance transparency and efficiency in vendor bids, maximising cost/margin.

Employee Benefits Expense

Employee benefits expenses, including salaries and benefits, amounted to ₹ 1,761.70 million in FY 2023-24, reflecting a 22.29% increase compared to ₹ 1,440.61 million in FY 2022-23. This growth is driven by salary increments, strengthening of leadership and sales & marketing team and an increase in the number of employees compared to FY 2022-23 due to addition of new hospitals. Employee benefits expense as a percentage of the hospital's total revenue increased from 12.28% in FY 2022-23 to 13.58% in FY 2023-24.

Finance Costs

Finance costs primarily comprise interest on lease liabilities under Ind AS 116 and interest on Non-Convertible Debentures (NCDs) at 9.5%, which we fully repaid in June 2022. The financial costs increased to ₹ 590.54 million in FY 2023-24, compared to ₹ 551.95 million in FY 2022-23, owing to interest expenses on new lease liabilities created during the year for hospitals added in the current year.

Depreciation and Amortisation

Depreciation and amortisation expenses, covering depreciation on Property, Plant, and Equipment (PPE), amortisation of intangibles, and depreciation of right-of-use assets, increased to ₹ 1,120.82 million from ₹ 902.68 million. The increase is attributed to higher depreciation on new units opened in FY 2023-24 and the amortisation of right-to-use assets.

Professional Fees to Doctors

Professional fees to doctors increased to ₹ 3,053.66 million in FY 2023-24 from ₹ 2,723.05 million in FY 2022-23, in line with the growth in business. As a percentage of operating revenue, professional fees increased from 23.20% in FY 2022-23 to 23.55% in FY 2023-24, driven by new hospital additions.

Other Expenses

Other expenses witnessed a 9.21% growth to ₹ 2,211.99 million in FY 2023-24 from ₹ 2,025.53 million in FY 2022-23. Factors contributing to this increase include contract wages, canteen, lab investigations, power and fuel, repairs and maintenance, business promotion and advertisement, Corporate Social Responsibility (CSR) expenses spends as well as legal and professional fees.

Income Tax Expense

Income tax expense increased to ₹ 765.26 million in FY 2023-24 from ₹ 694.02 million in FY 2022-23, with an effective tax rate of 25.95% in FY 2023-24.

Capital Expenditure

The gross block witnessed a growth of ₹ 1,550.93 million, reaching ₹ 6,387.07 million as of 31st March, 2024. This increase is primarily attributable to the addition of new units in FY 2023-24, specifically in Annanagar (Chennai), Central Hyderabad and Sarjapur (Bengaluru), along with the inclusion of other medical equipment. Additionally, there is a capital work in progress amounting to ₹ 138.07 million, which encompasses expenditures related to the forthcoming units in Gurugram & Rajahmundry.

Key financial ratios

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

Particulars	Units	FY 2023-24	FY 2022-23	Change %	Reason
Liquidity ratios					
Current Ratio	#	4.16	3.44	20.93%	
Inventory Turnover Ratio	Days	7.73	9.43	(18.03%)	
Trade Receivables/ Debtors Turnover Ratio	Days	21.32	23.77	(10.31%)	
Leverage ratios					
Debt Equity Ratio	#	-	-		
Debt Service Coverage Ratio	Times	5.37	3.58	(50.00%)	This ratio has increased from 3.58 in March 2023 to 5.37 in March 2024 mainly due to nil borrowings and increase in earnings available for debt services on account of increase in net profit after tax during the year
Interest Coverage Ratio	Times	-	490.81	100%	No interest on external borrowings in FY24
Profitability ratios					
Operating Profit Margin	%	33.07	33.78	(2.09%)	
Net Profit Margin	%	16.83	18.10	(7.02%)	
Return on Equity Ratio/Networth (ROE)	%	18.72	25.36	(26.18%)	This ratio impacted due to increase in networth, however, only funds are partially invested for the new units and balance funds are kept in Investments
Return on Capital Employed (ROCE)	%	21.00	24.64	(14.77%)	

OVER THE COMING YEAR, THE FOCUS WILL BE ON ENHANCING EXISTING UNITS AND OPTIMISING THEIR PERFORMANCE. THE OPENING OF NEW HOSPITALS HAS DEEPENED MARKET PENETRATION AND INCREASED OVERALL BED CAPACITY, WHICH IS ANTICIPATED TO CREATE NEW GROWTH OPPORTUNITIES.

BUSINESS OUTLOOK

The Company remains steadfast in delivering exceptional multi-disciplinary paediatric and perinatal care, supported by continuous investments in state-of-the-art infrastructure, expanded service offerings, top-tier talent recruitment, and advanced technology deployment.

Over the coming year, the focus will be on enhancing existing units and optimising their performance. The opening of new hospitals has deepened market penetration and increased overall bed capacity, which is anticipated to create new growth opportunities. Furthermore, as operations at new and recent hospitals stabilise, they are expected to mirror the performance of the Company's established units.

The Company is also committed to establishing new facilities in strategic locations, prioritising the launch of centres in untapped markets with growing demand for quality healthcare services. This includes a targeted go-to-market approach, particularly in Tier II cities, and exploring new markets through a clinical model to assess feasibility and potential.

IVF services have emerged as a significant growth avenue, and the Company's focused efforts to enhance this offering are expected to yield growth opportunities. Other strategic growth areas include paediatric quaternary care, perinatal care, and international business. Additionally, the Company remains open to actively exploring mergers and acquisitions (M&A) opportunities.

In summary, the Company is confident about delivering value to patients and driving growth by leveraging its strengths and executing strategic business initiatives.

INTERNAL CONTROLS

Rainbow has implemented stringent internal control measures, recognising internal control as the foundation for sound governance and operational integrity. The Company has a well-defined internal control framework commensurate to the size and complexity of its operations. The Internal Audit team reports directly to the Audit Committee, which comprises four independent directors overseeing the Internal Audit function. The Internal Audit Charter, approved by the Audit Committee, governs the scope, authority, and responsibilities of the Internal Audit function.

Annually, the audit team formulates a risk-based internal audit plan to assess control design and operational effectiveness, subject to approval by the Audit Committee. Quarterly, the audit team reviews the defined scope and reports on the status of internal controls to the Audit Committee. Prior to committee presentation, functional heads review the internal audit reports, providing corresponding action plans with clearly defined timelines and a responsibility matrix for each observation. In quarterly meetings, the Audit Committee thoroughly reviews and approves the report. Additionally, a separate team of auditors conducts concurrent reviews of daily transactions across all group hospitals.

Monthly reviews of the concurrent audit outcomes are performed at the unit level, with regular updates to the management. The audit team conducts annual testing of Entity Level Controls (ELCs) and Internal Controls over Financial Reporting (ICoFR) controls established by management, ensuring the committee receives assurance on the status of internal controls. Pending observations are diligently tracked through a comprehensive Action Taken Report (ATR) format, presented to the audit committee along with the audit reports every quarter.

HUMAN RESOURCE MANAGEMENT

In the ever-changing landscape of the Company's healthcare services, the human resources department plays a pivotal role, committed to nurturing a vibrant workplace culture, safeguarding the professional growth and welfare of its esteemed team members. The Company focuses on promoting excellence in healthcare and attracting top talent by providing outstanding human resource practices. During the year, the Company invested in hiring the right clinical talent across new and existing locations in order to build new specialities and strengthen the existing ones. Additionally, the Company has established a strong leadership team for driving organisational goals.

The commitment to offering the best training programmes and career development opportunities has led to recognition by the National Board of Examinations as a Membership of the Royal College of Paediatrics and Child Health (MRCPCH) Examination Centre and training centre in India. The Company's multidisciplinary approach cultivates a comprehensive clinical environment within the Rainbow

RAINBOW CONTINUES TO ADVANCE ITS ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) VISION AND PROMOTE BUSINESS SUSTAINABILITY. THE COMPANY HAS ADOPTED ENERGY-EFFICIENT MEASURES, SUCH AS SOLAR ROOFTOPS, SOLAR WATER HEATERS, AND IOT TECHNOLOGY FOR EQUIPMENT MAINTENANCE AND ENERGY TRACKING.

network, supporting employee learning and growth. Moreover, the Company offers comprehensive support for full-time physician retention, imparting strong career development and growth opportunities. The Company had 3,940 permanent employees as of 31st March, 2024.

RISK MANAGEMENT

In navigating the complexities of the Company's business landscape, Rainbow's Risk Management framework serves as a vigilant safeguard. It is strategically designed to identify, assess, and mitigate potential challenges, ensuring the Company's resilience and sustainable growth amidst dynamic environments. In terms of risk management, Rainbow has a robust system covering various business aspects, aligning with the Committee of Sponsoring Organisations (COSO) framework.

The oversight and monitoring of the Risk Management exercise are carried out by the Board's Risk Management Committee (RMC). The Risk Management exercise operates under the governance of a Risk Management Charter, which receives approval from the RMC. Additionally, a comprehensive Risk Management process has been developed, subject to review and approval by the RMC. The risk management and monitoring mechanisms include process walkthroughs, concurrent auditing, and risk-based internal audit reviews, ensuring comprehensive oversight and mitigation of potential risks. These efforts are directed towards identifying, rectifying, and monitoring the effectiveness of internal processes, addressing any potential gaps.

The Company's approach to risk assessment relies on various methodologies, including risk perception surveys, scanning the business environment, and gathering insights from internal and external stakeholders. As an integral part of the Risk Management exercise, the heads of functions prepare detailed Risk Registers, serving as foundational documents. Risks are evaluated based on three key factors: the probability of occurrence, the severity of impact, and the detectability of such risks.

Operational leaders play a pivotal role in highlighting new risks, which are promptly updated in the risk register. Each risk entry in the register includes a thorough examination of root causes, a risk indicator list, and the establishment of a Management Information System (MIS) monitoring mechanism. A mitigation plan is devised and monitored through regular reporting to the RMC. A monthly MIS report detailing identified risks, is prepared, and presented to the management. During scheduled meetings, the RMC members review the status of risks and provide necessary suggestions, which are promptly acted upon. Updates on risk management are communicated to the RMC on a half-yearly basis. With such vigorous risk management efforts and initiatives, Rainbow exemplifies a proactive stance in managing risks, ensuring ongoing success and sustainability for the Company.

ESG

Rainbow continues to advance its Environmental, Social, and Governance (ESG) vision and promote business sustainability. The Company has adopted energy-efficient measures, such as solar rooftops, solar water heaters, and IoT technology for equipment maintenance and energy tracking. A key highlight for the year was entering into a Memorandum of Understanding (MoU) for the supply of solar and wind power through the open access system. The Company also continues to implement comprehensive waste and water management strategies to minimise its environmental footprint. As part of its social commitment, Rainbow partners with non-profit organisations and schools to raise awareness about paediatric healthcare. More details on the Company's social initiatives and environmental efforts are available on pages 76 and 82 respectively.

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 involve 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 26th 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, 2024.

FINANCIAL RESULTS

The Financial performance of your Company for the financial year ended March 31, 2024 is summarized below:

(₹ in million)

Particulars	Year ended March 31, 2024 (Consolidated)	Year ended March 31, 2023 (Consolidated)	Year ended March 31, 2024 (Standalone)	Year ended March 31, 2023 (Standalone)
Total Income	13,339.64	12,044.39	12,735.10	11,452.19
Total Expenses	10,391.51	9,226.60	9,842.93	8,677.55
Profit/ (Loss) before Tax (PBT)	2,948.13	2,817.79	2,892.17	2,728.34
Profit/ (Loss) after Tax (PAT)	2,182.87	2,123.77	2,148.91	2,058.93

1. STATEMENT OF COMPANY'S AFFAIRS

The Company delivered a resilient financial performance for FY 2023-24, 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-ever revenue, EBITDA and PAT.

The Company continued to fortify its operations, achieving several notable milestones and implementing numerous new initiatives. All projects planned for FY 2023-24 were executed on schedule, reflecting the Company's commitment to effective project management and operational efficiency.

The Company demonstrated its clinical excellence through advanced medical intervention and the successful management of complex medical cases. Additionally, two hospitals were accorded the prestigious Joint Commission International (JCI) accreditation, affirming the Company's dedication for providing healthcare services that meet global quality and safety standards.

Significant progress was made in market penetration with the commissioning of three new spoke hospitals and addition of two new blocks in existing hospitals. Overall, a total of 280 beds were added during FY 2023-24, the highest ever in a single year. The new hospitals in Himayatnagar, Hyderabad; Sarjapur, Bengaluru; and Anna Nagar, Chennai, along with the new blocks at Hydernagar and LB Nagar units in Hyderabad, will enhance accessibility to quality healthcare services and improve health outcomes.

The Company purchased two new land parcels admeasuring 9,391 Sq Mtr (~2.32 acres) and 4,987.10 Sq Mtr (~1.23 acres), situated in Sector 44 and Sector 56 respectively in Gurugram, Haryana ("**Land Parcels**"), auctioned by Haryana Shehri Vikas Pradhikaran ("**HSVP**") for setting up two hospitals with a total bed capacity of ~400 beds.

The Company has received allotment and possession letter for the above mentioned land parcels. The work is in designing phase and project work is yet to commence on these hospitals. This expansion will strengthen the Company's existing footprint in the National Capital Region enabling it to cater to the growing healthcare needs of the residents of Gurugram and neighborhood. The addition of these two hospitals will provide increased access to specialized pediatric and perinatal care services in the geography.

2. FINANCIAL PERFORMANCE

I. Consolidated Performance

During the year under review, the consolidated income of the Company increased to ₹ 13,339.64 million compared to ₹ 12,044.39 million in the previous year, registering a growth of 10.75%. The consolidated net profit after tax increased to ₹ 2,182.87 million compared to ₹ 2,123.77 million in the previous year, representing a growth of 2.78%.

II. Standalone Performance

During the year under review, the standalone income of the Company increased to ₹ 12,735.10 million compared to ₹ 11,452.19

million in the previous year, registering a growth of 11.20%. The standalone net profit after tax increased to ₹ 2,148.91 million compared to ₹ 2,058.93 million in the previous year, representing a growth of 4.37%.

3. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of your Company for the Financial Year 2023-24, 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
June 29, 2023	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 2023-24, for approval by the shareholders at the ensuing Annual General Meeting ("**AGM**") of the Company.

The Dividend Distribution Policy of the Company is also available on the Company's website at: https://www.rainbowhospitals.in/investor-relations/reports/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 Millions)

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	1,325.07	Delay in execution of one of the project has resulted in less spend of IPO money raised against the target provided in the prospectus of ₹ 1,500 million as on March 31, 2024.
3	General corporate purposes	576.10*	576.10	NA
Total		**2,676.10**	**2,301.17**	

** During the year under review, the Company has received an amount of ₹ 14.70 Million towards the Company's share of unspent/ IPO expenses. Subsequently, amount to be utilized for General Corporate purpose has been increased from ₹ 561.40 Million to ₹ 576.10 Million.*

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.

8. CHANGES IN SHARE CAPITAL

During the year under review, there were no changes in the Authorized Share Capital and Paid-up Share Capital of the Company.

9. EMPLOYEES STOCK OPTION PLAN/ SCHEME

During the year under review, there has been no change in the Rainbow Employee Stock Option Scheme 2021 (**"ESOP Scheme 2021"/ "Scheme"**) as the scheme has not been implemented till yet. As on the date of this Board's Report, the Company has not granted any options under ESOP Scheme 2021.

During the year under review, the members of the Company had approved the "Rainbow Children's Medicare Limited – Employees Stock Unit Plan 2023" ("**Stock Unit Plan 2023**"/ "**Plan**") by passing the special resolution through Postal Ballot on May 6, 2023 for issue of stock units to eligible employees, which may result in an issuance of a maximum number of 4,00,000 Equity Shares i.e., 4,00,000 Stock Units. The Stock Unit Plan 2023 is administered by the Nomination and Remuneration Committee. As on the date of this Board's Report, the Company has granted 3,12,414 Stock Units under the Stock Unit Plan 2023 to its eligible employees.

During the year under review, there was no material change in the plan and the same was in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Applicable disclosures as stipulated under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 with regard to Stock Unit Plan 2023 is available on the Company's website at https://d2sn5i18drfi94.cloudfront.net/investor-relations/reports/Information-as-per-SEBI-SBEB-Regulations-FY-23.pdf

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, 2024 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://d2sn5i18drfi94.cloudfront.net/investor-relations/reports/policy/Policy%20for%20determining%20Material%20Subsidiary.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, 2024 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. Ramesh Kancharla (DIN: 00212270), Chairman and Managing 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. Ramesh Kancharla and other related information is detailed in the Notice convening the 26th 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.

Re-appointment of Independent Directors

The Members of the Company, at their Annual General Meeting held on June 29, 2023 approved re-appointment of Dr. Anil Dhawan as an Independent Director for a second term of 5 (five) consecutive years commencing from August 30, 2023.

Further, the Members of the Company, through Postal Ballot on December 23, 2023, approved re-appointment of Mr. Aluri Srinivasa Rao as an Independent Director for a second term of 5 (five) consecutive years commencing from March 15, 2024.

In the opinion of the Board, Independent Directors re-appointed during the year are the persons of integrity and having requisite expertise, skills and experience (including the proficiency) required for their role.

Appointment of Non – Executive Director

During the year under review, the Members of the Company, through Postal Ballot on March 16, 2024, approved the appointment of Dr. Adarsh Kancharla (DIN: 08302615) as Non – Executive and Non-Independent Director with effect from January 24, 2024, liable to retire by rotation.

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as SEBI Listing Regulations. The Independent Directors have affirmed compliance to the Code of Conduct for Independent Directors as prescribed in Schedule IV to the Act.

In the opinion of the Board, Independent Directors fulfil the conditions specified in Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as SEBI Listing Regulations and are independent from Management. The Independent Directors are persons of high repute, integrity and possess the relevant expertise, skills and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) in their respective fields. The Independent Directors have also confirmed that they have registered their names in the Independent Directors' databank with the Indian Institute of Corporate Affairs.

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Act. The Directors of the Company have made necessary disclosures under Section 184 and other relevant provisions of the Act.

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 were the Key Managerial Personnel of the Company as on March 31, 2024.

1. Dr. Ramesh Kancharla - Chairman and Managing Director;
2. Dr. Dinesh Kumar Chirla - Whole Time Director;
3. Mr. Sanjeev Sukumaran - Chief Operating Officer;
4. Mr. Vikas Maheshwari - Chief Financial Officer; and
5. Mr. Ashish Kapil - Company Secretary and Compliance Officer.

During the year under review, Mr. R Gowrisankar resigned from the post of Chief Financial Officer (Key Managerial Personnel) of the Company w.e.f. May 31, 2023.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed the following persons as Key Managerial Personnel of the Company in accordance with the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI Listing Regulations:

- Mr. Sanjeev Sukumaran was appointed as Chief Operating officer (Key Managerial Personnel) of the Company w.e.f April 15, 2023; and

- Mr. Vikas Maheshwari was appointed as Chief Financial Officer (Key Managerial Personnel) of the Company w.e.f June 1, 2023.

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, there has been no change to the Policy.

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://www.rainbowhospitals.in/investor-relations/reports/policy/Nomination_and_Remuneration_Policy.pdf

18. NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES

The Board met seven (7) times during the Financial Year 2023-24. 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, 2024, 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, 2024 and of the profit of the Company for the Financial Year ended March 31, 2024;

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, 2024, 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 2023-24.

The Board of Directors on the basis of recommendations from Audit Committee has appointed M/s. Lavanya & Associates, Sole Proprietorship firm (Firm Reg. No: 101257), represented by K.V.N. Lavanya, Sole Proprietor (Membership No: 31069), as Cost Auditors of the Company for the Financial Year 2024-25 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.

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 M/s. Ravi & Subramanyam Company Secretaries ("**Secretarial Auditors**") to conduct the Secretarial Audit of your Company for the Financial Year 2023-24.

The Secretarial Audit Report for the Financial Year ended March 31, 2024 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).

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://d2sn5i18drfi94.cloudfront.net/investor-relations/reports/Draft-Annual-Return-FY2023-24.pdf

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://www.rainbowhospitals.in/investor-relations/reports/policy/Policy%20on%20dealing%20with%20Related%20Party%20Transactions.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 2023-24 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://www.rainbowhospitals.in/investor-relations/reports/policy/Whistle_Blower_Policy.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://www.rainbowhospitals.in/investor-relations/reports/policy/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. BS and 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:

- Internet of Things (IoT) based Building Management System (BMS) for efficient Heating, Ventilation & Air conditioning (HVAC) operations
- Installation of solar rooftops, solar power pack, solar water heaters and energy-saving heat pumps.
- Installation of automatic solar module cleaning sprinkler system for better efficiency
- Switching to LED light fixtures
- Installation of Motion sensors for auto switch off lighting system
- Memorandum of Understanding (MoU) for Open Access power supply for renewable energies at Chennai and Bengaluru
- Reducing virtual energy consumption kVAh by repairing/ installing capacitors
- Efficient Chillers, DG sets, and Pumps have been installed for new projects
- Variable Frequency Drives ("VFD") have been installed to conserve energy across hospitals
- Usage of Energy efficient equipment at all levels

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 ₹ 59.83 Million as capital investments on various energy conservation initiatives like Solar Heating

System, Solar Hot Water System, LED Lights Fixtures, Motion Sensors, Variable Frequency Drives, Heat Pumps, Solar roof tops, Water Chilling Machines with VFD Starter, Installation & commissioning of BMS System etc.

B. Technology Absorption:

I. Technology Absorption, Adaptation & Innovation:

1) Efforts made towards technology absorption:

- Implementation of a QR based facility management application to digitalise the everyday functions of Engineering and Maintenance team with an overall objective of achieving quantitative and qualitative benefits.
- Variable Frequency Drives (VFDs) have been used in Chillers and critical Air Handling Unit.
- Installation of solar rooftops and eco-friendly STPs
- Registration of all new projects for Green Building accreditations.
- MoU for Open Access power supply for renewable energies in Chennai and Bengaluru.
- Upgradation of Hospital information system (HIS) - Arcus Air operates across 17 locations, equipped with the latest technology stack and advanced features and functionality
- Migration of all HIS servers to Amazon Web Services (AWS), providing a technical advantage compared to other cloud infrastructures

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

The Company achieved Operational cost reduction, resource optimization, Energy sources sustainability, Carbon emission reductions and improving the life span of Assets etc.

3) In case of imported technology (imported during the last three years reckoned from the beginning of the FY 2023-24): 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	33.76
2	Foreign Exchange Outgo	54.61

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 2023-24, 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 19, 2024

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

(All amounts in ₹ Million.)

S. No.	Name of Subsidiary	Date on which subsidiary was acquired	Country of Incorporation	Reporting Currency	Closing exchange rate against Indian Rupee as on Mar 31, 2024	% of Holding	Share Capital	Other Equity	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	-0.03	0.10	0.04	0	0	0.01	0	0.01	-
2	Rainbow Speciality Hospitals Private Limited	30/11/2010	India	INR	1	78.81%	180.00	98.99	480.68	201.69	78.84	420.39	81.39	20.70	60.69	-
3	Rainbow Women & Children's Hospital Private Limited	13/12/2010	India	INR	1	100%	0.10	-0.11	0.03	0.04	0	0	0.04	0	0.04	-
4	Rosewalk Healthcare Private Limited	18/12/2018	India	INR	1	100%	360.47	-431.77	163.56	234.86	0	206.14	-16.35	0	-16.35	-
5	Rainbow Fertility Private Limited	05/08/2019	India	INR	1	100%	45.00	7.70	53.48	0.78	0	0	2.98	0.75	2.23	-
6	Rainbow C R O Private Limited	14/11/2019	India	INR	1	100%	0.10	1.74	2.52	0.68	0	2.14	2.11	0.56	1.55	-

The reporting period for all the subsidiaries is March 31, 2024.

PART "B": ASSOCIATES AND JOINT VENTURES:

As on March 31, 2024 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

Ashish Kapil
Company Secretary & Compliance Officer

Place: Hyderabad
Date: May 19, 2024

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, 2024.

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	207
2.	Dr. Dinesh Kumar Chirla	Whole-time Director	107
3.	Dr. Adarsh Kancharla[1]	Non – Executive Director	0.3
4.	Mr. Aluri Srinivasa Rao	Independent Director	5
5.	Dr. Anil Dhawan	Independent Director	7
6.	Mr. Santanu Mukherjee	Independent Director	7
7.	Ms. Sundari R. Pisupati	Independent Director	7

[1] Dr. Adarsh Kancharla was appointed as Non – Executive Director on the Board w.e.f. January 24, 2024.

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	Nil*
2.	Dr. Dinesh Kumar Chirla	Whole-time Director	(14.04)
3.	Dr. Adarsh Kancharla[1]	Non – Executive Director	Not Applicable**
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[2]	Chief Operating Officer	Not Applicable**
9.	Mr. R Gowrisankar[3]	Chief Financial Officer	Not Applicable**
10.	Mr. Vikas Maheshwari[4]	Chief Financial Officer	Not Applicable**
11.	Mr. Ashish Kapil	Company Secretary & Compliance Officer	13.4

** There is no change in the remuneration structure of Dr. Ramesh Kancharla, the difference is on account of receipt of additional Leave Travel Allowance of ₹ 4,80,084/- in Financial Year 2023-24 as compared to Financial Year 2022-23.*

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

[1] Dr. Adarsh Kancharla was appointed as Non – Executive Director on the Board w.e.f. January 24, 2024.

[2] Mr. Sanjeev Sukumaran was appointed as Chief Operating Officer of the Company w.e.f. April 15, 2023.

[3] Mr. R Gowrisankar resigned from the post of Chief Financial Officer of the Company w.e.f. May 31, 2023

[4] Mr. Vikas Maheshwari was appointed as Chief Financial Officer of the Company w.e.f. June 1, 2023.

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 11.8%

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, 2024 is 3,940.

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 15.5%. 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 & Managing Director
DIN: 00212270

Place: Hyderabad
Date: May 19, 2024

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, 2024

To,
The Members,
RAINBOW CHILDREN'S MEDICARE LIMITED
Hyderabad

We 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 us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **March 31, 2024**, 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***

We 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.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent 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 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.

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

We further report that during the audit period the Company has approved the Rainbow Children's Medicare Limited - Employees Stock Unit Plan 2023 through Postal Ballot.

For Ravi & Subramanyam Company Secretaries

K.V.S. Subramanyam
Designated Partner
FCS No.: 5400
C P No.: 4815
PR. No: 1349/2021
UDIN: F005400F000400113

Date: May 19, 2024
Place: Hyderabad

Note: This report is to be read with our 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

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

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on 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. We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable laws

8. We 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.

For Ravi & Subramanyam Company Secretaries

K.V.S. Subramanyam
Designated Partner
FCS No.: 5400
C P No.: 4815
PR. No: 1349/2021
UDIN: F005400F000400113

Date: May 19, 2024
Place: Hyderabad

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 Profits) 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, 2024:

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[1]	Member (Non – Executive Director)	NA	NA
5.	Mr. Santanu Mukherjee	Member (Independent Director)	2	2
6.	Ms. Sundari R. Pisupati	Member (Independent Director)	2	2

[1] *Dr. Adarsh Kancharla was inducted as Member of the Committee w.e.f January 24, 2024.*

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://www.rainbowhospitals.in/investor-relations/reports/policy/CSR_Policy.pdf
CSR Projects as approved by the Board:	https://d2sn5i18drfi94.cloudfront.net/investor-relations/reports/CSR-Projects-approved-by-the-Board-for-FY-2023-24.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: ₹ **1,76,15,70,000/-**

(b) Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹ **3,52,31,400/-**

(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)]. – ₹ **3,52,31,400/-**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ **1,33,57,343/-**

(b) Amount spent in Administrative Overheads: ₹ **74,057/-**

(c) Amount spent on Impact Assessment, if applicable: **Nil**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ **1,34,31,400/-**

(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
₹ 1,34,31,400/-	₹ 2,18,00,000/-	April 15, 2024	Not Applicable	Nil	Not Applicable

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

Sl. No	Particular	Amount (In ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	3,52,31,400
(ii)	Total amount spent for the Financial Year	1,34,31,400
(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.		
Nil								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes ☑ No

If 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

Dr. Anil Dhawan
Chairman of CSR & ESG Committee
DIN: 08191702

Place: Hyderabad
Date: May 19, 2024

Report on Corporate Governance

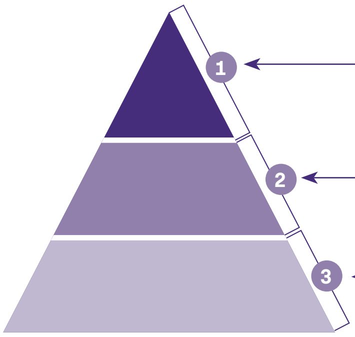
I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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



Board of Directors

Provides strategic direction, formulates and ensures long-term business strategy, enhances shareholder value, and safeguards stakeholder interests.

Board Committees

Leverage specialized expertise to provide insightful recommendations, ensure effective oversight, and guide strategic direction across key operational areas.

Management

Implements policies, procedures, and oversees day-to-day operations, driving effective execution.

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, 2024, 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 2023-24, their attendance at Board Meetings held during the Financial Year 2023-24 and at the last Annual General Meeting and the number of Directorships and Committee Chairmanships/ Memberships held by them as on March 31, 2024 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 29.06.2023	Other Directorships*	Committee Memberships**	Committee Chairmanships**	Name of Listed Company	Category of Directorship
		Entitled	Attended						
Dr. Ramesh Kancharla (DIN: 00212270)	Chairman & PED	7	7	Yes	6	1	-	-	-
Dr. Dinesh Kumar Chirla (DIN: 01395841)	PED	7	7	Yes	6	-	-	-	-
Dr. Adarsh Kancharla[1] (DIN: 08302615)	PNED	2	2	NA[1]	1	-	-	-	-
Mr. Aluri Srinivasa Rao (DIN: 00147058)	IDNE	7	5	Yes	5	-	-	-	-

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 29.06.2023	Other Directorships*	Committee Memberships**	Committee Chairmanships**	Name of Listed Company	Category of Directorship
		Entitled	Attended						
Dr. Anil Dhawan (DIN: 08191702)	IDNE	7	7	Yes	-	-	-	-	-
Mr. Santanu Mukherjee (DIN: 07716452)	IDNE	7	7	Yes	7	8	3	1. Suven Life Sciences Limited	IDNE
								2. Bandhan Bank Limited	IDNE
								3. Sumedha Fiscal Services Limited	IDNE
								4. Aurobindo Pharma Ltd	IDNE
								5. NACL Industries Ltd	IDNE
Ms. Sundari R. Pisupati (DIN: 01908852)	IDNE	7	7	Yes	2	2	-	-	-

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

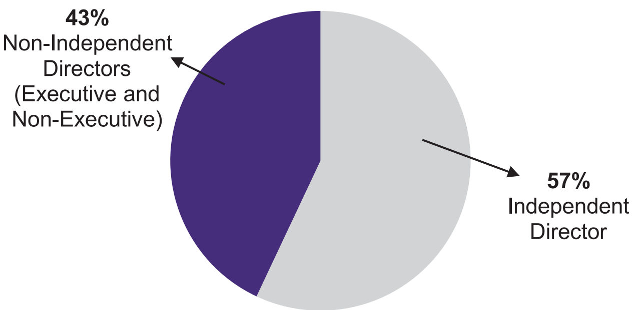
Notes:

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

*** 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.*

[1] Dr. Adarsh Kancharla was not required to attend last AGM as he was inducted on the Board as a Non-Executive Director w.e.f January 24, 2024.

Composition of Board



Number of Board Meetings

During the Financial Year 2023-24, seven (7) 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	April 15, 2023
2	May 14, 2023
3	May 31, 2023
4	August 7, 2023
5	October 30, 2023
6	January 24, 2024
7	March 16, 2024

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 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, 2024

The shareholding of Non-Executive Directors as on March 31, 2024 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.

As on March 31, 2024, 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://d2sn5i18drfi94.cloudfront.net/investor-relations/reports/Familiarisation-Programme-for-Independent-Directors-for-FY%202023-24.pdf

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:

i. Core skills/ expertise/ competencies for it to function effectively

ii. 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, 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 judgement, 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	-	√	√	√	√	√	-
Mr. Aluri Srinivasa Rao	√	√	√	√	√	√	√

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. 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.

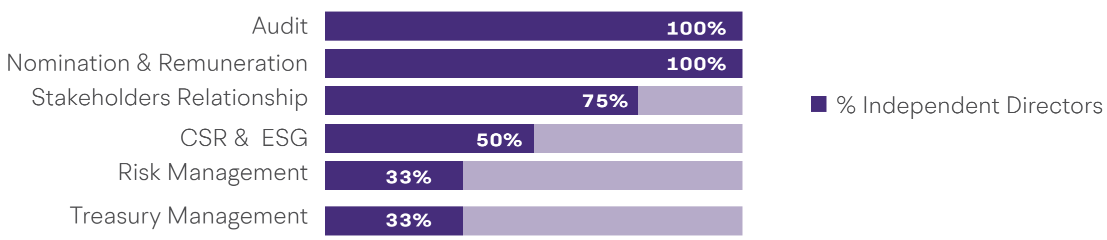
IV. BOARD COMMITTEES:

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

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

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 Companies Act, 2013 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 2023-24, the Audit Committee met 6 (Six) times on April 15, 2023, May 14, 2023, May 31, 2023, August 7, 2023, October 30, 2023 and January 24, 2024.

The composition of the Audit Committee and the attendance details of the members as on March 31, 2024 are given below:-

Names of Members	Category*	Position	No. of meetings attended
Mr. Santanu Mukherjee	IDNE	Chairman	6
Mr. Aluri Srinivasa Rao	IDNE	Member	5
Dr. Anil Dhawan	IDNE	Member	6
Ms. Sundari R. Pisupati	IDNE	Member	6

**IDNE – Independent Non-Executive Director.*

Mr. Ashish Kapil, 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 Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

During the Financial Year 2023-24, the Committee met 6 (Six) times on April 15, 2023, May 14, 2023, May 31, 2023, August 7, 2023, October 30, 2023 and January 24, 2024.

The composition of the Nomination & Remuneration Committee and the attendance details of the members as on March 31, 2024 are given below:-

Names of Members	Category*	Position	No. of meetings attended
Mr. Aluri Srinivasa Rao	IDNE	Chairman	5
Dr. Anil Dhawan	IDNE	Member	6
Mr. Santanu Mukherjee	IDNE	Member	6
Ms. Sundari R. Pisupati	IDNE	Member	6

**IDNE - Independent Non-Executive Director.*

Mr. Ashish Kapil, 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 to 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 2023-24.

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 Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

During the Financial Year 2023-24, the Committee met 1 (one) time on October 30, 2023.

The composition of the Stakeholders Relationship Committee and the attendance details of the members as on March 31, 2024 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	1
Dr. Anil Dhawan	IDNE	Member	1

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

Mr. Ashish Kapil, 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, dematerialisation, rematerialisation etc. of shares, debentures and other securities;*

(j) *To monitor and expedite the status and process of dematerialisation 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

Mr. Ashish Kapil, Company Secretary is the Compliance Officer of the Company. His contact details are as follows:

Rainbow Children's Medicare Limited
8-2-19/1/A, Daulet Arcade, Karvy Lane,
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, 2024 are given in the table below:

Particulars	No of Investor Complaints
Number of Shareholders' complaints outstanding as at April 1, 2023	0
Number of shareholders' complaints received during the Financial Year	11
Number of shareholders' complaints resolved to the satisfaction of shareholders during the Financial Year	11
Number of pending shareholders' complaints as at March 31, 2024	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 2023-24, the Committee has met 2 (Two) times on September 14, 2023 and March 9, 2024.

The composition of the Risk Management Committee and the attendance details of the Members as on March 31, 2024 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[1]	PNED	Member	-
Mr. Aluri Srinivasa Rao	IDNE	Member	-
Mr. Sanjeev Sukumaran[2]	COO	Member	2
Mr. Vikas Maheshwari[3]	CFO	Member	2
Mr. R Gowrisankar[4]	CFO	Member	N.A
Mr. Mahesh Madduri[5]	HOS	Member	N.A

**IDNE - Independent Non-Executive Director; PED – Promoter Executive Director; PNED – Promoter Non-Executive Director; COO – Chief Operating Officer; CFO- Chief Financial Officer; HOS – Head of Strategy.*

[1] *Inducted as Member of the Committee w.e.f January 24, 2024*

[2] *Inducted as Member of the Committee w.e.f April 15, 2023*

[3] *Inducted as Member of the Committee w.e.f June 1, 2023*

[4] *Ceased to be Member of the Committee w.e.f May 31, 2023*

[5] *Ceased to be Member of the Committee w.e.f April 15, 2023*

Mr. Ashish Kapil, 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:*

- ***(i)*** *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;*
- ***(ii)*** *Measures for risk mitigation including systems and processes for internal control of identified risks;*
- ***(iii)*** *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 Companies Act, 2013. The name of the Committee was changed from Corporate Social Responsibility Committee to CSR & ESG Committee w.e.f October 30, 2023,

During the Financial Year 2023-24, the Committee met 2 (Two) times on May 14, 2023 and October 30, 2023.

The composition of the CSR & ESG Committee and the attendance details of the members as on March 31, 2024 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[1]	PNED	Member	N.A
Mr. Santanu Mukherjee	IDNE	Member	2
Ms. Sundari R. Pisupati	IDNE	Member	2

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

[1] *Inducted as Member of the Committee w.e.f January 24, 2024*

Mr. Ashish Kapil, 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.*

(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 2023-24, the Committee has met 4 (Four) times on April 15, 2023, June 29, 2023, September 14, 2023 and March 9, 2024.

The composition of the Treasury Management Committee and the attendance details of the Members as on March 31, 2024 are given below:

Names of Members	Category*	Position	No. of meetings attended
Dr. Ramesh Kancharla	Chairman & PED	Chairman	4
Mr. Santanu Mukherjee	IDNE	Member	4
Mr. Vikas Maheshwari[1]	CFO	Member	3
Mr. R Gowrisankar[2]	CFO	Member	1

** PED – Promoter Executive Director, IDNE - Independent Non-Executive Director; CFO- Chief Financial Officer.*

[1] Inducted as Member of the Committee w.e.f June 1, 2023

[2] Ceased to be Member of the Committee w.e.f May 31, 2023

Mr. Ashish Kapil, 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.*

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, 2024:

S. No	Names of Senior Management	Designation*	Change (Appointment/ Resignation) during FY 2023-24
1	Mr. Sanjeev Sukumaran	COO (KMP)	Appointed w.e.f April 15, 2023
2	Mr. Vikas Maheshwari	CFO (KMP)	Appointed w.e.f June 1, 2023
3	Dr. Prashanth K	GMD	-
4	Mr. Ashish Kapil	CS & CO (KMP)	-
5	Mr. R Gowrisankar	CFO (KMP)	Resigned w.e.f May 31, 2023 (Closing of business hours)

** KMP – Key Managerial Personnel; COO – Chief Operating Officer; CFO – Chief Financial Officer; GMD – Group Medical Director; CS & CO – Company Secretary & Compliance Officer.*

VI. REMUNERATION OF DIRECTORS:

The table below gives details of Remuneration of Directors for the Financial Year ended March 31, 2024.

(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	6,80,54,068**	-	-	-	-	-	3 Years	None, unless otherwise agreed by Board of Directors	6,80,54,068
Dr. Dinesh Kumar Chirla	3,52,37,958***	-	-	-	-	-	3 Years	None, unless otherwise agreed by Board of Directors	3,52,37,958
Dr. Adarsh Kancharla[1]	-	-	-	-	1,00,000	-	-	-	1,00,000
Mr. Aluri Srinivasa Rao	-	-	10,00,000	-	8,00,000	-	-	-	18,00,000
Dr. Anil Dhawan	-	-	10,00,000	-	11,50,000	-	-	-	21,50,000
Mr. Santanu Mukherjee	-	-	10,00,000	-	14,00,000	-	-	-	24,00,000
Ms. Sundari R. Pisupati	-	-	10,00,000	-	11,50,000	-	-	-	21,50,000

** Commission relates to the Financial Year ended March 31, 2024, which was approved by the Board on May 19, 2024 and was paid during Financial Year 2024-25.*

*** Includes Leave Travel allowance of ₹ 30,54,064/-.*

**** Includes Leave Travel allowance of ₹ 12,00,000/- and remuneration by way of professional fee ₹ 3,40,37,958/-*

[1] Dr. Adarsh Kancharla was appointed as a Non-Executive Director on the Board w.e.f January 24, 2024

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://www.rainbowhospitals.in/investor-relations/reports/policy/Nomination_and_Remuneration_Policy.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
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.

Financial Year	Date and Time	Venue	No. of Special Resolutions set out at the AGM
2020-21	August 11, 2021 at 11:00 A.M	8-2-19/1/A, Road N.11, Daulet Arcade, Banjara Hills, Hyderabad- 500034, Telangana.	1. Re-Appointment of Dr. Ramesh Kancharla (DIN: 00212270) as the Chairman & Managing Director of the Company to hold office for a period of 5 (five) years. 2. Re-Appointment of Dr. Dinesh Kumar Chirla (DIN: 01395841) as the Whole Time Director of the Company to hold office for a period of 5 (five) years. 3. Granting loans and/or give guarantee and/or make investments in the subsidiaries. 4. Consider and accord the power to the board of directors of the company to borrow funds under section 180(1) (c) of the Companies Act, 2013, to meet the working capital requirements and meeting any Project capex of the company. 5. Advance any loan or to give any guarantee or provide any security to the subsidiaries of the company under section 185 of Companies Act, 2013.

VIII. POSTAL BALLOT

During the Financial Year 2023-24, pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**"), read together with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 ("**Rules**") and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("**SEBI Listing Regulations**"), the Members of the Company have passed the following Resolutions through postal ballot via remote e-voting facility:

A. Special Resolution passed on May 6, 2023, approving the "Rainbow Children's Medicare Limited – Employees Stock Unit Plan 2023".

S. No	Particulars	Response
1	Date of Postal Ballot	March 18, 2023
2	Cut-off Date of register of members for dispatch of notice	March 31, 2023
3	Dispatch of Postal Ballot	April 6, 2023
4	Voting Period	April 7, 2023 at 9:00 AM to May 6, 2023 at 5:00 PM
5	Date of Passing resolution	May 6, 2023
6	Date of declaration of result	May 6, 2023

The Board had appointed Mr. Ankit Singhi (CP No. 16274) failing him Mr. Nitesh Latwal (CP No. 16276), Practicing Company Secretaries and Partners of M/s. PI & Associates, Company Secretaries, 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 Resolution passed through postal Ballot is as under:

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	5,05,77,596	5,05,77,596	100	5,05,77,596	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	**5,05,77,596**	**5,05,77,596**	**100**	**5,05,77,596**	**0**	**100**	**0**
Public Institutions	E-Voting	3,57,25,144	2,66,86,291	74.6989	2,11,65,887	55,20,404	79.3137	20.6863
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	**3,57,25,144**	**2,66,86,291**	**74.6989**	**2,11,65,887**	**55,20,404**	**79.3137**	**20.6863**
Public-Non Institutions	E-Voting	1,51,98,947	54,80,543	36.0587	54,74,052	6,491	99.8816	0.1184
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	**1,51,98,947**	**54,80,543**	**36.0587**	**54,74,052**	**6,491**	**99.8816**	**0.1184**
Total		**10,15,01,687**	**8,27,44,430**	**81.5203**	**7,72,17,535**	**55,26,895**	**93.3205**	**6.6795**

B. Special Resolution passed on December 23, 2023, approving the "Re-appointment of Mr. Aluri Srinivasa Rao (DIN: 00147058), as an Independent Director of the Company for a term of five (5) years commencing from March 15, 2024".

S. No	Particulars	Response
1	Date of Postal Ballot	October 30, 2023
2	Cut-off Date of register of members for dispatch of notice	November 17, 2023
3	Dispatch of Postal Ballot Notice	November 23, 2023
4	Voting Period	November 24, 2023 at 9:00 AM to December 23, 2023 at 5:00 PM
5	Date of Passing resolution	December 23, 2023
6	Date of declaration of result	December 26, 2023

The Board had appointed Mr. K.V.S. Subramanyam (CP No. 4815) failing him Ms. Soumya Dafthardar (CP No. 13199), Practicing Company Secretaries and Partners of M/s. BS and Co LLP, Company Secretaries, 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 Resolution passed through postal Ballot is as under:

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	5,05,77,596	5,05,77,596	100	5,05,77,596	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	**5,05,77,596**	**5,05,77,596**	**100**	**5,05,77,596**	**0**	**100**	**0**
Public Institutions	E-Voting	3,81,55,171	3,15,06,648	82.5750	2,95,86,641	19,20,007	93.9060	6.0940
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	**3,81,55,171**	**3,15,06,648**	**82.5750**	**2,95,86,641**	**19,20,007**	**93.9060**	**6.0940**

Category	Mode of voting	No. of shares held (1)	No. of Votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)] *100	No. of Votes in favour (4)	No. of votes in against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of votes against on votes polled (7)=[(5)/(2)]*100
Public-Non Institutions	E-Voting	1,27,68,920	42,07,125	32.9482	42,05,467	1658	99.9606	0.0394
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	**1,27,68,920**	**42,07,125**	**32.9482**	**42,05,467**	**1658**	**99.9606**	**0.0394**
Total		**10,15,01,687**	**8,62,91,369**	**85.0147**	**8,43,69,704**	**19,21,665**	**97.7731**	**2.2269**

C. Ordinary Resolution passed on March 16, 2024, approving the "Appointment of Dr. Adarsh Kancharla (DIN: 08302615), as a Non-Executive Director of the Company commencing from January 24, 2024".

S. No	Particulars	Response
1	Date of Postal Ballot	January 24, 2024
2	Cut-off Date of register of members for dispatch of notice	February 9, 2024
3	Dispatch of Postal Ballot Notice	February 15, 2024
4	Voting Period	February 16, 2024 at 9:00 AM to March 16, 2024 at 5:00 PM
5	Date of Passing resolution	March 16, 2024
6	Date of declaration of result	March 18, 2024

The Board had appointed Mr. K.V.S. Subramanyam (CP No. 4815) failing him Ms. Soumya Dafthardar (CP No. 13199), Practicing Company Secretaries and Partners of M/s. BS and Co LLP, Company Secretaries, as Scrutinizer to scrutinise the remote e-voting process in a fair and transparent manner.

The details of voting pattern in respect of the Ordinary Resolution passed through postal Ballot is as under:

Category	Mode of voting	No. of shares held (1)	No. of Votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)] *100	No. of Votes in favour (4)	No. of votes in against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	5,05,77,596	5,05,77,596	100	5,05,77,596	0	100	0
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	**5,05,77,596**	**5,05,77,596**	**100**	**5,05,77,596**	**0**	**100**	**0**
Public Institutions	E-Voting	3,88,68,217	3,26,01,603	83.8773	1,89,55,627	1,36,45,976	58.1432	41.8568
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	**3,88,68,217**	**3,26,01,603**	**83.8773**	**1,89,55,627**	**1,36,45,976**	**58.1432**	**41.8568**
Public-Non Institutions	E-Voting	1,20,55,874	55,11,325	45.7149	55,10,395	930	99.9831	0.0169
	Poll		0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0
	Total	**1,20,55,874**	**55,11,325**	**45.7149**	**55,10,395**	**930**	**99.9831**	**0.0169**
Total		**10,15,01,687**	**8,86,90,524**	**87.3783**	**7,50,43,618**	**1,36,46,906**	**84.6129**	**15.3871**

Procedure for Postal Ballots:

Pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read together with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014, (“**Rules**”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**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

As on the date of this report, no resolution is proposed to be conducted through postal ballot.

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 26th Annual General Meeting of the Company is scheduled to be held as under:-

Date and Time:	July 30, 2024 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.

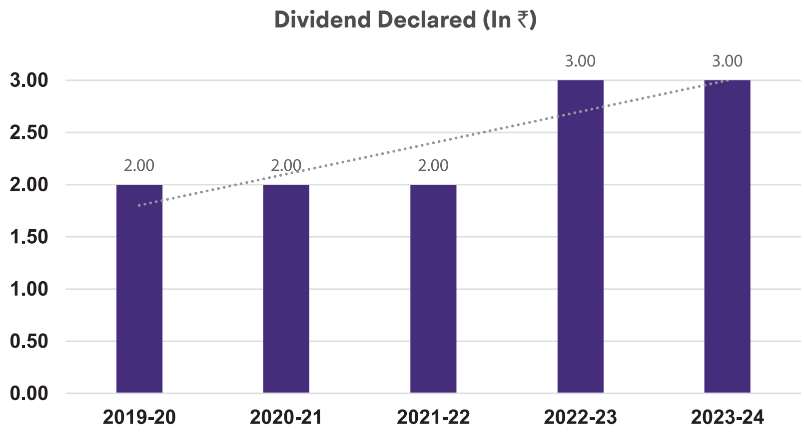
(c) Financial Year:

The Company follows Financial Year from April 1 to March 31. The Current Financial Year of the Company is April 1, 2023 to March 31, 2024.

(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)
2019-20	2	20%	9.24
2020-21	2	20%	9.24
2021-22	2	20%	20.3
2022-23	3	30%	30.45
2023-24	3*	30%	30.45

**Subject to shareholders’ approval at the ensuing AGM.*



Final Dividend payment for FY 2023-24: On or before August 28, 2024.

(e) Listing on Stock Exchanges:

Name of Stock Exchange	Security Code/ Symbol	Address
BSE Limited	543524	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.
National Stock Exchange of India Limited	RAINBOW	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.

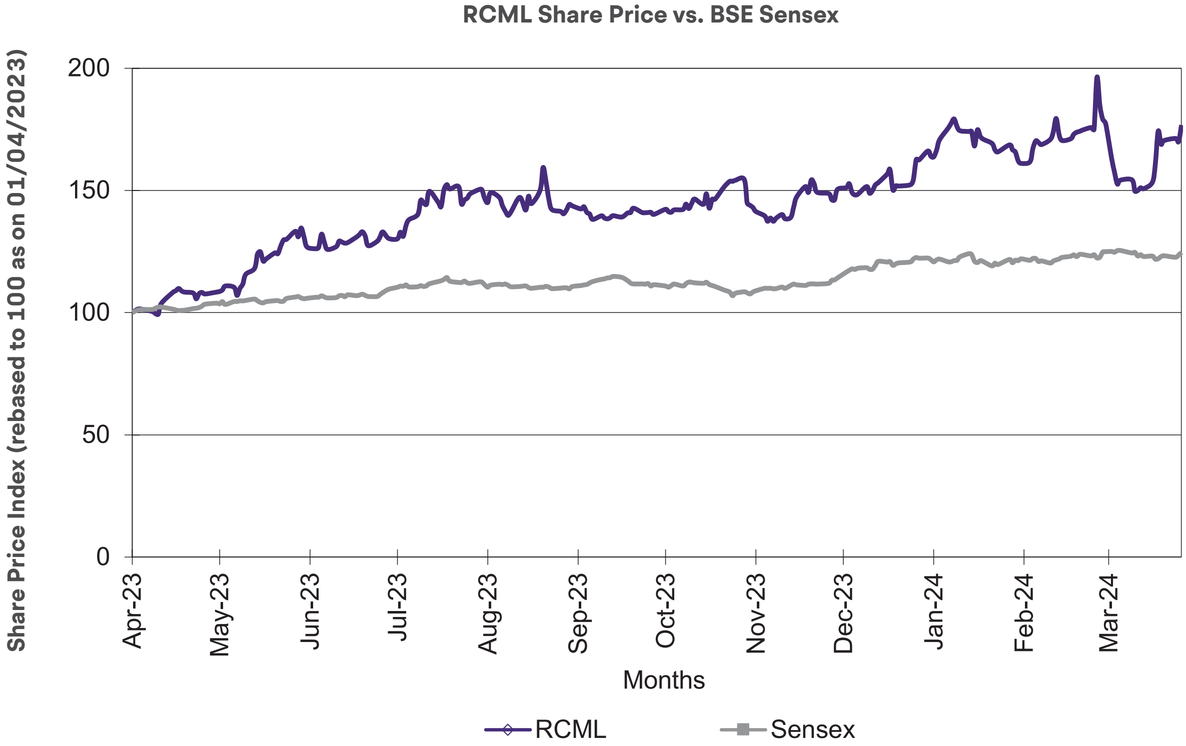
Annual Listing fees for the Financial Year 2023-24 & 2024-25 have been paid to both the Stock Exchanges.

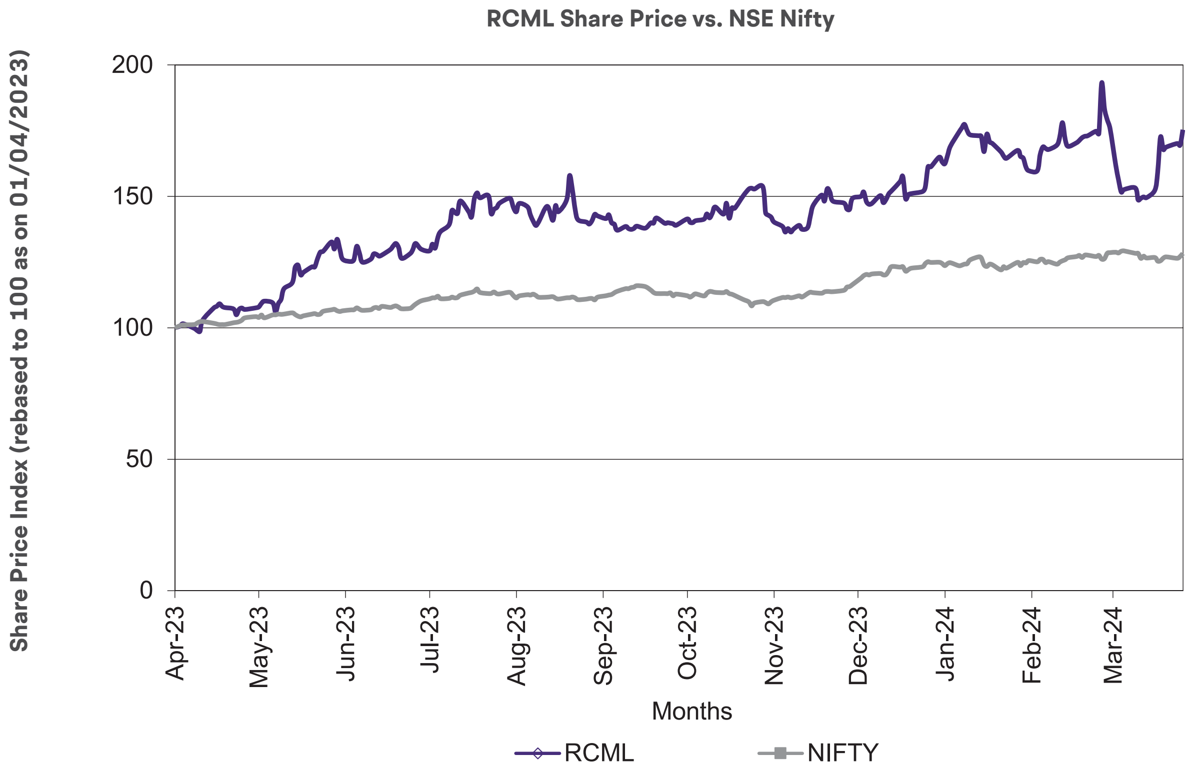
(f) Market Price Data & Share price performance:

The monthly High & Low Share price during each month of last Financial Year is as below:

Month	BSE Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	High	Low	High	Low
Apr-23	820.00	716.00	820.00	725.00
May-23	996.30	775.05	996.90	773.90
Jun-23	1,008.25	885.50	1,008.30	885.25
Jul-23	1,139.00	941.65	1,139.00	941.25
Aug-23	1,184.90	880.05	1,184.60	1,011.15
Sep-23	1,082.90	1,007.05	1,084.05	1,010.00
Oct-23	1,145.05	1,022.20	1,147.80	1,029.10
Nov-23	1,175.95	993.70	1,178.00	992.95
Dec-23	1,215.00	1,073.30	1,215.90	1,072.85
Jan-24	1,328.55	1,182.60	1,329.85	1,183.00
Feb-24	1,488.45	1,171.75	1,487.65	1,170.50
Mar-24	1,401.15	1,092.00	1,403.55	1,091.00

(g) Company's equity share price comparison with BSE Sensex and NSE Nifty:

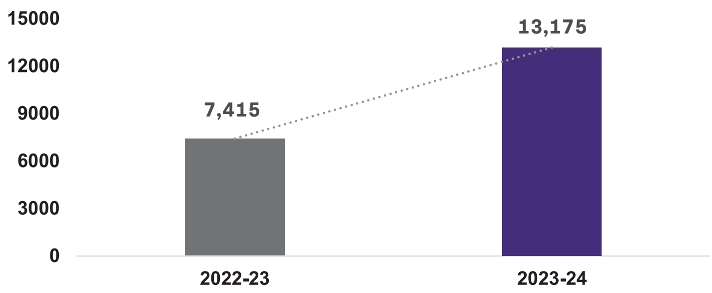




(h) Market Capitalisation:

The chart below represents the market capitalisation of the Company based on the market capitalisation list as of March 31, 2023 & 2024.

Market Capitalisation (₹ in Crores)



(i) Suspension of Trading:

During the year under review, no order related to suspension of trading was passed.

(j) 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

(k) 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.

(l) Distribution of shareholding as on March 31, 2024:

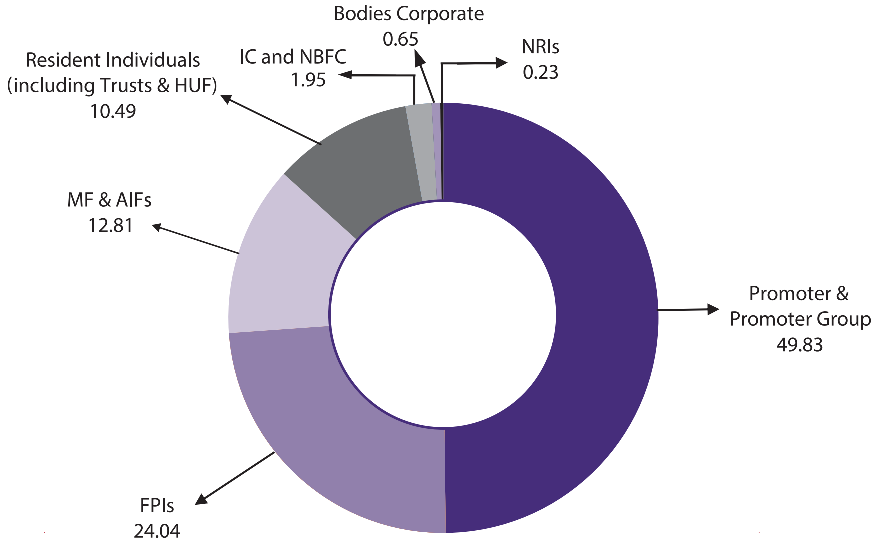
i. Distribution of Equity Shareholding

Slab	Shareholders		No. of Shares	
	Number	% to total	Shares	% to total
1 - 5000	76,823	99.57	43,01,799	4.24
5001 – 10,000	93	0.12	6,94,712	0.68
10,001 – 20,000	74	0.10	11,38,435	1.12
20,001 – 30,000	35	0.05	8,69,181	0.86
30,001 - 40,000	13	0.02	4,50,841	0.44
40,001 - 50,000	9	0.01	4,01,155	0.40
50,001 - 1,00,000	30	0.03	21,43,667	2.11
1,00,001 - above	75	0.10	9,15,01,897	90.15
Total	**77,152**	**100.00**	**10,15,01,687**	**100.00**

ii. Categories of Equity Shareholders as on March 31, 2024

S. No.	Category	No of Shares held	% of Share holding
1	Promoter and Promoter Group	5,05,77,596	49.83
2	Foreign Portfolio Investors	2,43,96,192	24.04
3	Mutual Fund and Alternate Investment Funds	1,30,02,646	12.81
4	Resident Individuals (including Trusts & HUF)	1,06,48,447	10.49
5	Insurance Companies and NBFC	19,83,643	1.95
6	Bodies Corporate	6,58,048	0.65
7	Non - Resident Indians	2,33,813	0.23
8	Clearing Members	1,302	0.00
Total		**10,15,01,687**	**100**

Shareholding (%) as on March 31, 2024



** 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, 2024:

S. No	Name of Shareholders	Shareholding (%)
1	Amansa Holdings Private Limited	2.92
2	DSP Equity & Bond Fund	2.78
3	Axis Mutual Fund Trustee Ltd A/C	2.17
4	Abu Dhabi Investment Authority	1.97
5	HDFC Life Insurance Company Limited	1.8
6	Nippon Life India Trustee Ltd-A/C	1.59
7	Franklin Templeton Investment Funds - Franklin India Fund	1.57
8	Ashoka Whiteoak ICAV Ashoka Whiteoak India Opportunities Fund	1.56
9	Stichting Depositary APG Emerging Markets Equity Pool	1.52
10	Government Pension Fund Global	1.13

(m) Dematerialisation of Shares and Liquidity

As on March 31, 2024, 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.

(n) 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.

(o) 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.

(p) Plant Locations

The Company does not have any manufacturing or processing plants.

(q) 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: comanysecretary@rainbowhospitals.in	Rainbow Children's Medicare Limited 8-2-19/1/A, Daulet Arcade, Karvy Lane, Road No. 11, Banjara Hills, Hyderabad – 500034, Telangana. Ph: 040- 49692244 E-mail:comanysecretary@rainbowhospitals.in

Your Company has also designated investorrelations@rainbowhospitals.in as an exclusive email ID for Analysts and Institutional Investors and comanysecretary@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.

(r) List of Credit Ratings:

During the period under review, the Company was assigned a long-term credit rating of [ICRA] AA- (Positive) by ICRA Limited vide its letter dated April 26, 2023.

Further, the Company was reassigned a long-term credit rating of [ICRA] AA (Stable) upgraded from [ICRA] AA- (Positive) by ICRA Limited vide its letter dated December 6, 2023.

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://www.rainbowhospitals.in/investor-relations/reports/policy/Policy%20on%20dealing%20with%20Related%20Party%20Transactions.pdf

(b) Non-Compliances by the Company

During the last three years and during the Financial Year 2023-24, 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 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. 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://www.rainbowhospitals.in/investor-relations/reports/policy/Whistle_Blower_Policy.pdf

(d) Details of compliance with mandatory requirements on Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with the mandatory requirements on Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(e) Material 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://www.rainbowhospitals.in/investor-relations/reports/policy/Policy%20for%20determining%20Material%20Subsidiary.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 2023-24, 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, 2024, 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 2023-24 is ₹ 6.33 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, 2024.

(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 16, 2024 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 2023-24.

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://www.rainbowhospitals.in/investor-relations/reports/policy/Code%20of%20conduct%20for%20Directors%20and%20Senior%20Management.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***.

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 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, 2024 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, 2024*

Ensuring the eligibility of 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 BS AND CO LLP
(Formerly known as BS & Company Company Secretaries LLP)

K.V.S. Subramanyam
Designated Partner
FCS No.: 5400
C P No.: 4815
PR. No: 705/ 2020
UDIN: F005400F000400146

Date: May 19, 2024
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 & 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 year ended March 31, 2024.

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Place: Hyderabad
Date: May 19, 2024

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 2023-24 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

Date: May 19, 2024
Place: Hyderabad

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, 2024, 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, 2024.

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 BS AND CO LLP
(Formerly known as BS & Company Company Secretaries LLP)

K.V.S. Subramanyam
Designated Partner
FCS No.: 5400
C P No.: 4815
PR. No: 705/ 2020
UDIN: F005400F000400157

Date: May 19, 2024
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	L85110TG1998PLC029914
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, Karvy Lane, 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 24 (2023-24)
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	INR 101.50 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	Mr. Ashish Kapil 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 as the Company does not fall under the purview of External Assurance as per SEBI Requirements
15.	Type of assurance obtained	-

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	Revenue from Hospital and other 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: 4	1	24
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 has presence in 5 states. The Company does not export & thus there is no contribution of exports to the turnover of the entity. The patients, however, include Indian citizens as well as citizens of foreign nationalities, who visit our hospitals in India for availing healthcare services.

c. **A brief on types of customers**

Rainbow Children's Hospital caters to a diverse range of customers, including patients seeking medical assistance and healthcare services. These may encompass individuals in need of specialized medical treatments, routine check-ups, surgical procedures, maternity care, paediatric care, and more.

IV. Employees

20. Details as at the end of 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)	3,940	1,663	42%	2,277	58%
2.	Other than Permanent (E)#	1,535	422	27%	1,113	73%
3.	**Total employees (D+E)**	**5,475**	**2,085**	**38%**	**3,390**	**62%**
	WORKERS*					
4.	Permanent(F)	Not Applicable				
5.	Other than Permanent (G)					
6.	**Total workers (F+G)**					

**Rainbow Hospitals does not employ workers*

 # Other than Permanent (E) includes:

- *Trainees*
- *Interns*
- *Full time Doctors*
- *Full time DNBs*
- *Full Times Registrar*

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**	**100%**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent(F)	Not Applicable				
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 Management Personnel	5	0	0%

22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	FY 2024 (Turnover rate in Current Year)			FY 2023 (Turnover rate in Previous Year)			FY 2022 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	27%	37%	33%	33%	40%	37%	35%	57%	47%
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 Companies Act, 2013: Yes

(ii) Turnover (in INR): 12,365.62 Millions (Standalone)

(iii) Net worth (in INR): 12,852.51 Millions (Standalone)

VII. Transparency and Disclosures 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 complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024			FY 2023		
		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
Shareholders	Yes https://www.rainbowhospitals.in/investors-relations/investor-contact	11	Nil	-	1040	Nil	-
Employees and workers	Yes https://www.rainbowhospitals.in/investor-relations/reports/policy/Whistle_Blower_Policy.pdf	2	Nil	-	Nil	Nil	-
Customers	Yes https://www.rainbowhospitals.in/contact-us	2629	9	-	1065	15	-
Value Chain Partners	Yes https://www.rainbowhospitals.in/investor-relations/reports/policy/Whistle_Blower_Policy.pdf	Nil	Nil	-	2	Nil	-
Investors (other than shareholders)	Yes https://www.rainbowhospitals.in/investors-relations/investor-contact	Nil	Nil	-	Nil	Nil	-
Communities	Yes https://www.rainbowhospitals.in/investor-relations/reports/policy/Whistle_Blower_Policy.pdf	Nil	Nil	-	Nil	Nil	-

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, 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.	Investments in technology and digital marketing	Opportunity	By embracing digital marketing and technology, the Company can diversify its product portfolio and enhance patient services, aligning with its vision. This strategy bolsters market presence and widens accessibility to a broader audience. Prioritizing digital advancements empowers the company to innovate and exceed customer expectations, creating products and services that resonate effectively.	-	**Positive** The Company's commitment to innovation and technology drives the enhancement of its product portfolio and patient services, ensuring timely access and meeting evolving needs. This investment underscores the Company's dedication to product innovation and staying at the forefront of industry advancements.
2	Occupational hazard affecting health of employees (Doctors, Nurses & Paramedical staff)	Risk	Healthcare professionals face the inherent risk of contracting infections while providing care to sick patients.	The Company prioritizes the well-being of its staff members through various initiatives. These include periodic vaccination in accordance with guidelines, provision of medical and term insurance to mitigate health and financial risks, and offering financial support to the relatives of staff who have lost their lives while serving patients. Additionally, nutritious food is provided to nurses residing in hostels, promoting their overall health and well-being.	**Negative** The company might encounter challenges such as revenue loss and difficulty in filling positions due to a shortage of available manpower. These issues can negatively affect the quality of clinical care provided to patients and lead to increased recruitment costs.

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)
3	Risk Management	Risk & Opportunity	**Risk** Businesses risk facing adverse effects across various operational areas if they lack robust controls within their risk management system. **Opportunity** Integrating risk management into a company's overall strategy presents numerous opportunities. It shields against potential disruptions, ensuring adaptability in a changing business landscape. This approach fosters resilience, bolstering sustained success despite challenges.	The company collaborates with key stakeholders in the risk management process, ensuring awareness and involvement in mitigating potential risks. This inclusive approach cultivates a culture of risk awareness and accountability, resulting in more effective risk management outcomes.	**Positive** By proactively aligning material topics with risk mitigation strategies, the company can foster a more resilient and sustainable approach to growth. Grounded in a thorough comprehension of operational risks and opportunities, this approach enables effective risk management and the maximization of opportunities. Embracing this method, the company can enhance its overall performance and position itself for long-term success.

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.**		The Company prioritizes Environmental, Social, and Governance (ESG) best practices through a comprehensive framework. This framework incorporates internationally recognized standards like ISO 14001 for environmental management and IFC guidelines for social and environmental risk management. Additionally, we adhere to NABH healthcare quality standards, ensuring patient safety and quality of care. On the governance front, the Company follows NVG guidelines and relevant regulations like Section 135 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) 2015, to promote transparency, accountability, and responsible business conduct. This commitment to ESG principles underscores our dedication to sustainability.								
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 institutionalise preventive steps to strengthen its performance on the said parameter.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9

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 isn't just a checkbox it's the foundation for a thriving future. We understand that environmental, social, and governance (ESG) issues are deeply interconnected, and addressing them is essential for the well-being of our company, our community, and the planet.

We're taking steps to minimize our environmental impact. We're optimizing energy consumption, actively exploring renewable sources, and implementing innovative eco-friendly practices. These actions not only reduce our carbon footprint but also contribute to operational excellence.

Beyond the environment, the safety and well-being of our patients is paramount. We maintain rigorous protocols to ensure the highest standards of care, fostering trust and confidence during every interaction.

Waste reduction and resource conservation are also priorities. We've implemented effective waste management strategies, embraced recycled materials, and adopted paperless solutions to minimize waste generation and preserve precious resources.

Our commitment extends beyond the present. We're constantly innovating and improving our sustainability practices, driven by a deep desire to create a healthier, greener future for generations to come. We believe in going beyond compliance – it's about genuine responsibility towards the environment, society, and all our stakeholders.

Together, through collaboration and continuous improvement, we can build a more sustainable and responsible future.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

CSR & ESG Committee of the Company is responsible for implementation and oversight of the Business Responsibility Policies.

The Constitution of the CSR & ESG Committee is as follows:

1. Dr. Ramesh Kancharla
   DIN:00212270
   Chairman & Managing Director
2. Dr. Dinesh Kumar Chirla
   DIN:01395841
   Whole-time Director
3. Dr. Adarsh Kancharla
   DIN: 08302615
   Non-Executive Director
4. Dr. Anil Dhawan
   DIN: 08191702
   Independent Director
5. Ms. Sundari R. Pisupati
   DIN: 01908852
   Independent Director
6. Mr. Santanu Mukherjee
   DIN: 07716452
   Independent Director

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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.	Yes, the CSR & ESG Committee plays a pivotal role in deliberating and making decisions concerning sustainability-related matters within the company. It serves as the central authority responsible for formulating policies and strategies that drive the company's sustainability initiatives. With a focus on sustainability, the committee evaluates various environmental, social, and governance factors, ensuring alignment with the company's values and objectives. Through its actions and decisions, the committee reinforces the company's commitment to ethical business practices and responsible citizenship, contributing to positive societal and environmental impact.								

10 Details of Review of NGRBCs by the Company

Subject for Review	a. Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
1 Performance against above policies and follow up action	Committee of the Board								
2 Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes, the Committee of the Board ensures that Company complies with all applicable laws and statutory requirement of the land it operates in.								

Subject for Review	b. Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
1 Performance against above policies and follow up action	Annually								
2 Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	Quarterly								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No) If yes provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
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)									

SECTION C: PRINCIPAL WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1:

Business 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	8	The Board of Directors and Key Managerial Personnel (KMPs) of the company participate in familiarization and awareness programs as an integral part of the board process. These programs encompass a range of topics related to the business, strategy, Earnings outlook, Operational efficiencies, risks, operations, regulations, code of business conduct and ethics, as well as economic, environmental, social, and governance parameters. Furthermore, regular updates are provided to all board members and KMPs to keep them informed about company developments, key SEBI Regulations, significant regulatory changes, risks, and compliance matters. The Company has also organized an ESG awareness session for the Board Members and KMPs.	100%
Employees other than BoD and KMPs	3194	Rainbow Code of Conduct covering topics like integrity and ethical business practices	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	None				
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 places a strong emphasis on conducting business in a transparent and ethical manner. To ensure compliance with ethical standards, the Company strictly follows all relevant laws, treaties, and regulations that prohibit bribery and other corrupt activities. The Whistle blower and Code of Conduct Policies, which address ethics, bribery, and corruption, apply to all Rainbow Group, joint ventures, and 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 2024	FY 2023
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

6. **Details of complaints with regard to conflict of interest:**

	FY 2024		FY 2023	
	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.

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 2024	FY 2023
Number of days of accounts payables	183	182

9. **Open-ness of business***
Provide details of 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 2024	FY 2023
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.	
	b.	Number of trading houses where purchases are made from		
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses		

Parameter	Metrics		FY 2024	FY 2023
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.	
	b.	Number of dealers/ distributors to whom sales are made		
	c.	Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors		
Share of RPTs in	a.	Purchases (Purchases with related parties/ Total Purchases)	0.29%	0.04%
	b.	Sales (Sales to related parties/ Total Sales)	0.20%	0.17%
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.97%	0%
	d.	Investments (Investments in related parties/ Total Investments made)	8.98%	7.98%

*The numbers provided against these KPIs have been reported for RCML Standalone basis

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
-	-	-

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 implemented a comprehensive Code of Conduct specifically designed for Senior Management and Board Members, meticulously outlining potential conflict scenarios and offering clear guidelines for their avoidance. This Code serves as a cornerstone, embodying the fundamental business practices and behavioural principles that underscore the Company's commitment to integrity. By upholding and adhering to the standards delineated within the Code, the Company reinforces its dedication to ethical conduct and business excellence. Ultimately, the Code's primary objective is to proactively prevent misconduct and cultivate a culture of unwavering ethical behaviour throughout 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 2024	FY 2023	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	2.63%	1.64%	Operational cost reduction, resource optimisation, improvement of Energy efficiencies, Energy sources sustainability, Carbon emission reductions and improving the life span of Assets and so on.

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?
   The company places utmost importance on ethical sourcing and environmentally sustainable practices to mitigate risks within the value chain. This commitment not only reduces environmental impact but also cultivates trust and strengthens relationships with suppliers, rooted in integrity. Rainbow Group adopts a centralized procurement strategy, providing a "single point of sourcing." The Company procure 96% of the products through local distribution channels and partnering with trusted suppliers which in turn helps the company minimize transportation risks and ultimately aims to reduces carbon footprint. This localized approach not only strengthens the Company's supply chain resilience but also directly aligns with Rainbow Hospitals' unwavering commitment to environmental sustainability.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**
   (a) Plastics (including packaging): The Company ensures responsible waste management practices by selling its plastic waste to authorized plastic recyclers on a regular basis. As the Company operates in the healthcare services industry, the plastic waste generation is minimal. Each unit is equipped with water dispensers with disposable paper glass to avoid plastic pet bottles.

   (b) E-waste: The Company ensures responsible waste management practices with its E-waste being disposed of to authorised recyclers and proper certificate with details of E-waste issued to individual units.

   (c) Hazardous waste: The Company, as a healthcare service provider, ensures responsible disposal of its biomedical waste (BMW) to authorised hazardous waste disposers in compliance with the BMW rules of 2016.

   (d) Other waste: The Company responsibly manages its general waste, including dry and wet waste, by disposing of it through municipality-hired vendors who carry out decomposition and recycling of materials/waste based on their respective categories.

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?**

   Not applicable as the Company is in Healthcare Services.

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					

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	
	FY2024	FY2023
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:**

	FY2024			FY2023		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	5.86	-	-	1.3
E-waste	-	-	3.03	-	-	1.1
Hazardous waste	-	-	0.20	-	-	283.5
Other waste-General Waste (Dry & Wet)	-	-	838.04	-	-	636.66

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	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	1,663	405	24%	1,663	100%	NA	NA	1,663	100%	1,663	100%
Female	2,277	280	12%	2,277	100%	2277	100%	NA	NA	2,277	100%
Total	**3,940**	**685**	**17%**	**3,940**	**100%**	**2277**	**58%**	**1,663**	**42%**	**3,940**	**100%**
Other than Permanent employees											
Male	422	259	61%	200	47%	NA	NA	NA	NA	NA	NA
Female	1,113	819	74%	535	48%	NA	NA	NA	NA	NA	NA
Total	**1,535**	**1,078**	**70%**	**735**	**48%**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

(% of employees covered by)

b. Details of measures for the well-being of workers:

Category	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 Workers											
Male	Not Applicable										
Female											
Total											
Other than Permanent Workers.											
Male	Not Applicable										
Female											
Total											

(% of workers covered by)

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-

	FY 2024	FY 2023
Cost incurred on well-being measures as a % of total revenue of the company	1.07%	1.04%

2. **Details of retirement benefits, for Current FY and Previous Financial Year**

Benefits	FY 2024			FY 2023		
	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	24%	NA	Yes	41%	NA	Yes
Others- please specify	-	-	-	-	-	-

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 adhere to the Rights of Persons with Disabilities Act 2016, ensuring accessibility for all employees. This commitment is evident in the implementation of various accessibility measures, such as wheelchair ramps and providing assistance when needed. These efforts underscore the company's dedication to inclusivity and ensuring that individuals with disabilities can access healthcare facilities and services without hindrance.

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 committed to maintaining a policy of non-discrimination and enforcing a strong stance against any behaviours that contravene its ethics and Code of Conduct. These standards are clearly outlined in the Business Responsibility Policy, demonstrating the Company's dedication to promoting a culture of fairness, respect and accountability. The same can be accessed at https://www.rainbowhospitals.in/investor-relations/reports/policy/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%	77%	Not Applicable	
Female	97.3%	55.8%		
Total	**98.7%**	**66.2%**		

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 offers employees a comprehensive reporting system for addressing concerns, comprising various channels such as unit-level channels, a dedicated whistle blower hotline, an anti-sexual harassment channel, and a corporate employee well-being and grievance channel. These channels operate in accordance with the company's established policies, including the Whistle blower Policy, Anti-Sexual Harassment Policy, Anti-Discrimination Policy, and Code of Conduct, ensuring that employees have avenues to raise their concerns and grievances while upholding ethical standards and promoting a safe and inclusive work environment.
Other than Permanent Employees	

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2024			FY 2023		
	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	**3940**	**0**	**0**	**3581**	**0**	**0**
Male	1663	0	0	1502	0	0
Female	2277	0	0	2079	0	0
Total Permanent Worker	Not Applicable					
Male						
Female						

8. **Details of training given to employees and workers:**

Category	FY 2024					FY 2023				
	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	2085	1973	95%	1762	84%	1502	1193	79%	1138	76%
Female	3390	2702	80%	2576	76%	2079	1830	88%	1764	85%
Total	**5475**	**4675**	**85%**	**4338**	**79%**	**3581**	**3023**	**84%**	**2902**	**81%**
Workers										
Male	Not Applicable									
Female										
Total										

9. **Details of performance and career development reviews of employees and worker:**

Category	FY 2024			FY 2023		
	Total (A)*	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1663	1149	69%	1502	1298	86%
Female	2277	1459	64%	2079	1726	83%
Total	**3940**	**2608**	**66%**	**3581**	**3024**	**84%**
Workers						
Male	Not Applicable					
Female						
Total						

**Only Permanent employees are eligible for performance and career development*

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 safety management system has guidelines that apply to all the Hospitals.

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 strives to foster a culture of safety excellence, underpinned by a robust occupational health and safety management system. This system encompasses stringent protocols for identifying hazards, devising risk mitigation strategies, and continuously verifying compliance. Internal audits conducted at regular intervals ensure the steadfast adherence to industry-best safety practices. Moreover, the company bolsters its safety framework by implementing a Process Safety Management system, thus demonstrating its unwavering commitment to prioritizing the well-being and safety of its 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)

Yes. The company fosters a proactive safety approach by equipping employees with standardized procedures for hazard identification and reporting (SOPs). These SOPs outline risk mitigation strategies to minimize or eliminate potential workplace threats. Furthermore, comprehensive occupational health and safety training equips employees with the skills to recognize, assess, and effectively address hazards through various risk management techniques.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes. The company offers comprehensive health benefits to all employees, including group insurance coverage and access to medical services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024	FY 2023
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

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Yes. The Company places utmost importance on the well-being of its employees and ensures a safe and healthy workplace through regular training programs. Safety kits, including PPE kits and other necessary equipment, are provided to protect staff from contamination. With the majority of hospitals being NABH-approved, the Company adheres to all local requirements to ensure compliance and maintain high standards of safety and quality in its operations.

13. Number of Complaints on the following made by employees and workers:

	FY 2024			FY 2023		
	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% of our premises are assessed by internal experts to ensure the compliance of safety regulations and identification of major improvement areas.
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.

The Hospital Unit safety manual serves as a robust guide, detailing precise safety procedures and corrective measures for incidents, ensuring swift and uniform responses. Adopting proactive risk management strategies, the hospital systematically identifies and addresses potential hazards across all units. This approach fosters a culture of safety and preparedness, empowering staff to effectively manage emergencies and uphold the highest standards of patient care.

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 to its employees, which includes Accidental Death and insurance and Workers' Compensation coverage. This ensures financial security for employees and their families in the unfortunate event of a work-related accident resulting in death.

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 are 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	
	FY2024	FY2023	FY2024	FY2023
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 a 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.**

Currently, the company's oversight of health and safety practices, as well as working conditions within its value chain, is under evaluation. The company is committed to identifying and implementing best practices to ensure a responsible and sustainable supply chain.

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's approach to identifying key stakeholders involves recognizing individuals, groups, institutions, or entities that significantly influence their business, contribute value, or are integral to their business value chain. These stakeholders encompass both internal and external entities, including those with direct and indirect connections to their operations. Stakeholders are assessed based on their interest, impact, and involvement in the company's activities. Central to their operations is the commitment to meet the needs, interests, and expectations of stakeholders. The Company actively listens to their feedback and maintain various communication channels, advocacy platforms, and engagement tools to facilitate dialogue. Key stakeholders encompass a diverse range, including employees, investors, suppliers, partners, customers, government authorities, healthcare professionals, patients, and the broader community. Recognizing the roles, interests, influence, concerns, and expectations of stakeholders is fundamental to their engagement strategy. Accordingly, they define the frequency and depth of stakeholder interactions within their organization.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as 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
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)
Employees	No	• Emails • Periodic townhalls meetings to enable bottom-to-top communication • Website • Cultural events • Structured employee surveys • Intranet Portal • Notice board	Continuous	• Training and development • Regular company updates • Employee concerns to provide a safe, inclusive, and empowering workplace for its employees that encourages transparent engagement and the freedom to act, innovate.
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

Stakeholder Group	Whether identified as 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
Suppliers/ vendors	No	• Digital meetings / In person meetings. • Supplier forums, partner events, calls, e-mail.	Need-based	• Quality Assurance in Supply Chain • Local Procurement • Performance feedback • Updation about change in regulation pertaining to supplies/ services. • To finalize rate contracts and request for Quotation rate negotiation/ strategic meetings
Government	No	Emails / Community meetings/ In person meetings	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

Leadership Indicator

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 consistently updates Board members on stakeholder feedback regarding Environmental, Social, and Governance (ESG) matters. This ensures Board members are well-informed about stakeholder perspectives on ESG-related issues, enabling informed decision-making. Responsibility for consulting and engaging with stakeholders on ESG topics is delegated to specific departments, ensuring ongoing communication and collaboration. This inclusive approach fosters transparency and encourages active participation in ESG initiatives. By involving relevant departments, the Company promotes effective stakeholder engagement, aligning with its commitment to address stakeholder concerns and drive sustainable practices.

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 policies and activities of the entity.**

   Yes, Stakeholder feedback undergoes regular review and discussion with management, leading to the implementation of necessary measures. Effective engagement aligns stakeholder needs with organizational objectives, fostering shared value. We utilize diverse communication channels to engage stakeholders, comprehending their needs and concerns. Patient and employee surveys, industry reports, grievance mechanisms, and ongoing communication facilitate appropriate responses and policy adjustments. These efforts ensure continuous improvement and strategic development, enhancing relationships and driving positive outcomes for all stakeholders.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The company places a strong emphasis on its commitment to social responsibility and the improvement of patient care and community health. By prioritizing the accessibility of quality healthcare, especially for those most in need, the company demonstrates its dedication to addressing the concerns of vulnerable and marginalized groups. This commitment is reflected in various initiatives and actions aimed at enhancing healthcare services and outcomes for these populations.

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 2024			FY 2023		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	3,940	1518	39%	3,581	1504	42%
Other than permanent	1,535	916	60%	1,279	460	36%
Total Employees	**5,475**	**2434**	**44%**	**4,860**	**1964**	**40%**
Workers						
Permanent	Not Applicable					
Other than permanent						
Total Workers						

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2024					FY 2023				
	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	**3,193**	**223**	**7%**	**2970**	**93%**	**3581**	**360**	**10%**	**3221**	**90%**
Male	1,226	78	6%	1148	94%	1502	196	13%	1306	87%
Female	1,967	145	7%	1822	93%	2079	164	8%	1915	92%
Other than Permanent	**1544**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Male	424	-	-	-	-	-	-	-	-	-
Female	1120	-	-	-	-	-	-	-	-	-
Workers										
Permanent	Not Applicable									
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	1,82,90,338	1	21,50,000
Key Managerial Personnel	3	1,27,70,855	0	0
Employees other than BoD and KMP	1,663	3,44,880	2,277	3,24,000
Workers	Not Applicable			

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024	FY 2023
Gross wages paid to females as % of total wages	47.7%	46.4%

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)**

Yes, the Company is committed to honesty, fairness, and transparency, and it strives to maintain the highest standards of ethical behaviour and practise. It actively encourages professionalism and ethical behaviour among its employees and has put in place strong measures to foster and support this culture. To guarantee a safe and ethical working environment for all, the Company's management takes quick action to investigate and address the issue in accordance with its policy.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The company is steadfastly dedicated to upholding internationally recognized human rights principles and standards. Rainbow Hospitals has implemented robust procedures and processes throughout its global operations to safeguard against human rights violations.

Employees, contractors and service providers can report any suspected violations of the human rights policy by the company, its representatives or suppliers and service providers to the relevant executives or senior managers or anonymously through Grievance@rainbowhospitals.in.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2024			FY 2023		
	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:**

Particulars	FY 2024	FY 2023
Total Complaints reported under Sexual Harassment on 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 prioritizes a safe and ethical workplace, evident through its multifaceted framework comprising a Code of Conduct, gender-neutral anti-harassment policy, and robust Business Risk and Responsibility (BRR) policies. These mechanisms empower employees to report any human rights concerns confidently. Management pledges to thoroughly investigate all reported issues, ensuring corrective actions align with company policies. Moreover, the company's policies shield employees from retaliation or employment threats, demonstrating a steadfast commitment to fostering a supportive environment where all individuals feel respected and valued.

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 labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others –please specity	-

By entity

11. **Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 10 above.**

No significant risks or concerns were found during the assessment.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

Even though there were no Human Rights related grievances reported during the financial year, the Company continues to monitor, review and update its policies and processes periodically.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

The company promotes a culture of compliance through ongoing employee education on the Code of Conduct delivered via a variety of training programs. This commitment ensures all employees are equipped with the necessary knowledge to act ethically and follow company regulations.

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 committed to accessibility and inclusion for all employees. Following the Rights of Persons with Disabilities Act 2016, all the hospitals in India are designed and equipped to be fully accessible to differently-abled individuals. This commitment is reflected in the implementation of various accessibility measures, including wheelchair ramps, accessible restrooms, and the provision of support personnel when necessary.

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 labour	-
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 at 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 2024	FY 2023
From renewable sources			
Total electricity consumption (A)	GJ	11760.95	1249.207
Total fuel consumption (B)	GJ	-	-
Energy consumption through other sources (C)	GJ	-	-
Total energy consumed from renewable sources (A+B+C)	GJ	**11760.95**	**1249.20**
From non-renewable sources			
Total electricity consumption (D)	GJ	75099.04	67643.02
Total fuel consumption (E)	GJ	3111.73	630.21
Energy consumption through other sources (F)	GJ	-	-
Total energy consumed from non-renewable sources (D+E+F)	GJ	78210.77	68273.23
Total energy consumed (A+B+C+D+E+F)	GJ	**89971.72**	**69522.43**
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from Operations)		7.27	6.241
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)		166.47	142.8
Energy intensity in terms of physical output (in terms of number of beds) ** Note: Total beds include managed beds		43.99	38.94

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 2024	FY 2023
Water withdrawal by source (in kilolitres)		
(i) Surface Water	-	-
(ii) Ground Water	115394.10	109165
(iii) Third Party Water	24288	26758
(iv) Seawater / desalinated water	-	-
(v) Others	70414.25	37495
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**210096.35**	**173418**
Total volume of water consumption (in kilolitres)	210096.35	173418
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations)	16.19	15.57
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP)	370.65	356.18
Water intensity in terms of physical output (in terms of number of beds) ** Note: Total beds include managed beds	102.73	97.15

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 2024	FY 2023
Water discharge by destination and level of treatment (in kilolitres)			
i)	To surface water	143387.5 KL	127362.51 KL
	- No treatment	-	-
	- With treatment-please specify level of treatment	143387.5 KL	127362.51 KL, after chlorination, STP and UV filtration
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)		**143387.5**	**127362.51**

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.**

Rainbow Hospitals places environmental responsibility at the forefront of its operations, particularly evident in its sustainable water management practices at Greenfield facilities. Through proactive measures such as recycling and reusing treated wastewater for operational needs, the company has substantially reduced its freshwater consumption while increasing the utilization of recycled water. These efforts align with the principles of Reduce, Reuse, and Recycle (3R), showcasing Rainbow Hospitals' commitment to conserving water resources. Additionally, each unit is equipped with Sewage Treatment Plants featuring Ultra High filtration systems and Rainwater Harvesting Pits, further emphasizing the organization's dedication to sustainable practices.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2024	FY 2023
NOx	Tonne	0.000001365	0.04
Sox	Tonne	0.000000433	3.6
Particulate matter (PM)	Tonne	0.000000182	
Persistent organic compounds (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others-please specify	-	-	-

Note: Approach for calculating air emissions is different for FY 2024.

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 2024	FY 2023
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1712.35	501
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	12677.14	17477
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO2e/rupee turnover	1.16	1.61
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)	tCO2e/rupee turnover	26.63	36.93
Total Scope 1 and Scope 2 emission intensity in terms of physical output (in terms of number of beds) ** Note: Total beds include managed beds	tCO2e/total number of beds	7.04	10.07

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.**

The Company has achieved a significant reduction of 2134.6 metric tons of CO2 emissions through a series of targeted initiatives. This commitment underscores company's dedication to environmental responsibility and sustainable operations. RCH has opted for following below said Initiatives to mitigate Green House Gas Emissions;

- Solar Power Generation at Roof Top
- Solar Hot Water Generations at Roof Top
- Open Access System for Renewable Energy – Wind & Solar
- Internet of Things (IOT) Based Building Management System
- LED lighting system with motion sensor & timer
- Variable frequency drive installations to conserve energy across hospitals
- High efficiency chillers
- EV charger in Hospitals
- Energy Savings at LB Nagar, Rosewalk and Heart institute with Solar roof top & VFDs respectively

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2024	FY 2023
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	5.86	13
E-waste **(B)**	3.03	1.1
Bio-medical waste	325.72	282.98
Construction and demolition waste **(D)**	25.42	150
Battery waste **(E)**	0.09	0.225
Radioactive waste **(F)**	0	0
Other Hazardous waste. Please specify, if any. **(G)**	0.112	0.52
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)	838.04	636.657
Total (A+B + C + D + E + F + G + H)	**1198.272**	**1084.482**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.096	0.096

Parameter	FY 2024	FY 2023
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	2.209	2.203
Waste intensity in terms of physical output (in terms of number of beds) ** Note: Total beds include managed beds	0.58	0.60
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	-	-
Total		
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	1135.18	1072.782
Total	**1135.18**	**1072.782**

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.

The Company adheres to the guidelines outlined in the Central Pollution Control Board (CPCB) Biomedical Waste Management Rules of 2016 for the disposal of biomedical waste (BMW). Authorized collectors sanctioned by the PCB are engaged for the segregation and disposal of BMW. Additionally, in accordance with the directives issued by the Ministry of Environment, Forest, and Climate Change (MoEF), the Company has implemented an e-waste policy covering all electronic and electrical goods, which are disposed of through authorized vendors. General waste, including paper, cardboard, plastics, tins, and scrap, is disposed of as needed. Wastewater is treated using Sewage Treatment Plants (STP) as per hospital policy, with the recycled treated wastewater utilized for flush tanks, gardening, and cellar cleaning with minimal human contact.

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:

The Company does not have any operations in ecologically sensitive areas.

S. 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:

The Company has not undertaken any EIA of project during the 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).

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.

If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

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:

Not applicable as none of the company's facilities fall under water stress areas

Parameter	FY 2024	FY 2023
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 and its intensity, in the following format:**
The Company is currently not mapping its Scope 3 emissions however shall undertake the same in the forthcoming periods.

Parameter	Unit	FY 2024	FY 2023
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	-	-	-
Total Scope 3 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
1	Solar Roof top	https://www.rainbowhospitals.in/esg	430277 units of electricity generated. Emission Avoided – 365.7 Tons
2	Solar Water heaters		599544 units of energy saved with solar water heaters and to ensure energy efficiency and reduction of the emissions. Emission Avoided - 509.6 Tons
3	Open Access - Renewable Energy	-	Energy Utilized – 2836655 KWH Emission Avoided - 2411 Tons

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Rainbow Hospitals upholds a stringent business continuity plan, aligned with ISO 27001:2013. It shields against disruptions, emphasizing swift recovery of information assets post-system restoration. The focus is on mitigating operational impact during extended outages. With resilience ingrained, Rainbow ensures uninterrupted patient care, embodying preparedness as a way of life.

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.

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.

   3 (Three)

   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 (TSSHA)	State

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.**

   During the year under review, no adverse orders have been passed by any regulatory body relating to the anti-competitive conduct by the Company.

Name of the 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	Amount paid to PAFs in the FY (In INR)
Not Applicable						

3. **Describe the mechanisms to receive and redress grievances of the community.**
The Company prioritizes inclusivity, ensuring everyone feels heard and respected. Rainbow believes in creating a welcoming environment where all stakeholders, including employees, customers, and community members, are valued. To uphold this commitment, the Company has established a whistle-blower channel. This channel serves as a platform for anyone to raise concerns or grievances anonymously. Rainbow takes these concerns seriously and is dedicated to addressing them promptly and transparently. Through open communication and accountability, the Company strives to cultivate trust and foster a culture of mutual respect within the organization and with the communities which it serves.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Particulars	FY 2024	FY 2023
Directly sourced from MSMEs/ small producers	83%	22%
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 2024	FY 2023
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	100%	100%

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):**
Not Applicable

Details of negative social impact identified	Corrective action taken
-	-

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:** None

S. No.	State	Aspirational District	Amount spent (In INR)
-			

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

   The quality of the materials is of prime importance to the sector the Company operates in. Though the Company does not have a preferential procurement policy, it does not discriminate on the basis on caste, creed or religion while selecting the supplier.

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
-	-	-	-	-

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
-	-	-

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
Please refer CSR Report of the Annual Report at page no 128			

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 implemented a comprehensive feedback collection system, allowing customers to share their input through various channels. Through the Company's in-house application, customers can provide feedback on both outpatient (OP) and inpatient (IP) services, with IP feedback gathered at the hospital before discharge, and OP feedback obtained via an SMS link sent to their registered phone number. Additionally, customers have the option to share feedback by visiting the Company's website, contacting the call center, or emailing queries@rainbowhospitals.in.

   Collected feedback is then shared with relevant stakeholders for appropriate action. The organization is currently working on centralizing and modernizing this process by introducing new channels and touchpoints for feedback collection.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following**

	FY 2024		Remarks	FY 2023		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	2629	9	-	1065	15	-
Restrictive Trade Practices	NIL	NIL	-	NIL	NIL	-
Unfair Trade Practices	NIL	NIL	-	NIL	NIL	-
Other	NIL	NIL	-	NIL	NIL	-

4. **Details of instances of product recalls on account of safety issues:**

   Not Applicable

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

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.**

   Yes, Rainbow Hospitals demonstrates a steadfast commitment to protecting individuals' privacy and information security through its comprehensive cybersecurity framework and data privacy policy. The organization ensures adherence to industry best practices and regulatory standards, employing continuous monitoring, risk assessments, and employee training to mitigate cyber threats. With a focus on maintaining the trust of patients and stakeholders, Rainbow Hospitals provides transparency and clarity on its privacy practices. The privacy policy, accessible via the weblink on the company's website (https://www.rainbowhospitals.in/terms-and-conditions), outlines how personal information is handled and protected, reinforcing Rainbow Hospitals' dedication to privacy and security.

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.**

   The Company is dedicated to upholding top-tier network security standards through the deployment of cutting-edge Palo Alto firewall systems. These systems offer thorough monitoring, auditing, and alert capabilities, enabling organisation's IT team to swiftly identify and address potential risks. Having implemented these advanced security protocols, Rainbow operates confidently, assured of the robust protection of its network infrastructure.

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 has 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) If yes, provide details in brief.

      Not Applicable

   b. 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)

      Yes, Rainbow Children's Medicare Limited regularly conducts surveys to gauge consumer satisfaction with our major products/services and significant locations of operation. Specifically, it utilizes SMS feedback mechanisms to capture patient feedback on our Outpatient Department (OPD) services and call center services. The Company also gathers NPS ratings through both OP and IP feedback forms, and also tracks its online GMB rating.

Financial Statements

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 accompanying standalone financial statements of Rainbow Children's Medicare Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, 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, 2024, 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, 2024. 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, 2024 the loan outstanding balance is ₹ 330.42 million (including Interest accrued of ₹ 126.95 million). 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. 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.	In view of the significance of the matter, we performed the following procedures: 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. 2. Traced loans repaid 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 31 March 2024 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.	4. Assessed the net worth of the external party on the basis of latest available financial statements. 5. 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. 6. 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, 2024. Due to continued losses incurred by the subsidiary, 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: 1. 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. 2. 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. 3. 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 information 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, 2024 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 MATTER

The financial statements of the Company for the year ended March 31, 2023, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 14, 2023.

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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) 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;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 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;

   (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i) (vi) below on reporting under Rule 11(g).

   (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, other than as disclosed in the note 2.47 to the standalone financial statements, 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, other than as disclosed in the note 2.47 to the standalone financial statements, 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 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 except that, audit trail feature is not enabled for certain changes made, if any, using privilege/ administrative 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 accounting software where audit trail has been enabled.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

____
per Atin Bhargava
Partner
Membership Number: 504777
UDIN: 24504777BKDHKZ1461

Place of Signature: Hyderabad
Date: May 19, 2024

Annexure '1' referred to in paragraph 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.

(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, 2024.

(c) 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 loans and advances in the nature of loans to companies and other parties as follows:

	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year		
- Subsidiaries	2.00	Nil
- Others	Nil	10.79
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	2.00	Nil
- Others	203.47	3.58

(b) During the year the terms and conditions of the grant of all loans and advances in the nature of loans to companies and 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) There were no loans or advance in the nature of loan granted to companies and any other parties which had fallen due during the year.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies and other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by 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, sales-tax, service tax, duty of customs, duty of excise, value added 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.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs 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 (amount paid under protest – 8.30)	Financial year 2010-11 to 2013-14	High court of Telangana
Income Tax Act, 1961	Tax and interest thereon	6.18	Financial year 2021-22 and 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.

(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) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(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 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)(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

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per Atin Bhargava
Partner
Membership Number: 504777
UDIN: 24504777BKDHKZ1461

Place of Signature: Hyderabad
Date: May 19, 2024

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, 2024 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, 2024, 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

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per Atin Bhargava
Partner
Membership Number: 504777
UDIN: 24504777BKDHKZ1461

Place of Signature: Hyderabad
Date: May 19, 2024

Standalone Balance Sheet

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
a. Property, plant and equipment	2.1(a)	6,230.82	4,650.50
b. Capital work-in-progress	2.1(a)	138.24	208.98
c. Right-of-use of assets	2.32	5,915.44	4,231.17
d. Other intangible assets	2.1(b)	40.70	33.09
e. Intangible assets under development	2.1(b)	60.92	19.08
f. Financial assets			
(i) Investments	2.2	465.45	465.45
(ii) Loans	2.10	332.51	437.53
(iii) Other financial assets	2.3 (a)	252.41	2,255.36
g. Deferred tax assets (net)	2.27(d)	253.68	255.84
h. Non-current tax assets (net)	2.4	136.00	21.51
i. Other non-current assets	2.5	1,735.22	292.56
Total non-current assets		**15,561.39**	**12,871.07**
Current assets			
a. Inventories	2.6	225.86	176.74
b. Financial assets			
(i) Investments	2.7	2,996.16	581.33
(ii) Trade receivables	2.8	715.59	509.41
(iii) Cash and cash equivalents	2.9 (a)	74.85	117.91
(iv) Bank balances other than (iii) above	2.9 (b)	0.07	253.56
(v) Other financial assets	2.3 (b)	1,792.84	2,874.33
c. Other current assets	2.11	137.60	149.82
Total current assets		**5,942.97**	**4,663.10**
TOTAL ASSETS		**21,504.36**	**17,534.17**
EQUITY AND LIABILITIES			
EQUITY			
a. Equity share capital	2.12	1,015.02	1,015.02
b. Other equity	2.13	11,837.49	9,868.86
TOTAL EQUITY		**12,852.51**	**10,883.88**
LIABILITIES			
Non-current liabilities			
a. Financial liabilities			
(i) Lease liabilities	2.32	7,193.80	5,291.63
b. Provisions	2.14	72.94	68.02
Total non-current liabilities		**7,266.74**	**5,359.65**
Current liabilities			
a. Financial liabilities			
(i) Lease liabilities	2.32	153.20	91.27
(ii) Trade payables	2.15		
a) Total outstanding dues to micro enterprises and small enterprises		86.09	78.08
b) Total outstanding dues to creditors other than micro enterprises and small enterprises		677.30	671.61
(iv) Other financial liabilities	2.16	324.49	328.94
b. Other current liabilities	2.19	114.36	101.73
c. Provisions	2.17	29.66	18.18
d. Current tax liabilities (net)	2.18	0.01	0.83
Total current liabilities		**1,385.11**	**1,290.64**
TOTAL EQUITY AND LIABILITIES		**21,504.36**	**17,534.17**
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

Atin Bhargava
Partner
Membership Number.: 504777

Place: Hyderabad
Date: 19 May 2024

For and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
(formerly known as 'Rainbow Children's Medicare Private Limited')
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Dr. Dinesh Kumar Chirla
Director
DIN: 01395841

Vikas Maheshwari
Chief Financial Officer

Ashish Kapil
Company Secretary
Membership Number: A31782

Place: Hyderabad
Date: 19 May 2024

Place: Hyderabad
Date: 19 May 2024

Standalone Statement of Profit and Loss

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
INCOME			
Revenue from operations	2.20	12,365.62	11,139.90
Other income	2.21	369.48	312.29
Total income		**12,735.10**	**11,452.19**
EXPENSES			
Cost of materials consumed	2.22	1,571.27	1,501.22
Employee benefits expense	2.23	1,687.09	1,360.38
Finance costs	2.24	560.66	520.89
Depreciation and amortisation expense	2.25	1,051.51	837.08
Professional fees to doctors	2.26 (i)	2,877.30	2,554.04
Other expenses	2.26 (ii)	2,095.10	1,903.94
Total expenses		**9,842.93**	**8,677.55**
Profit before exceptional items and tax		**2,892.17**	**2,774.64**
Exceptional items	2.2	-	46.30
Profit before tax		**2,892.17**	**2,728.34**
Tax expenses:	2.27		
(a) Current tax		745.43	811.41
(b) Deferred tax credit		(2.17)	(142.00)
Total tax expense		**743.26**	**669.41**
Profit for the year		**2,148.91**	**2,058.93**
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 (C)(ii)	17.21	4.83
Income tax effect	2.27 (d)(ii)	(4.33)	(1.22)
Other comprehensive income for the year, net of tax		**12.88**	**3.61**
Total comprehensive income for the year		**2,161.79**	**2,062.54**
Earning per share (face value of share ₹10 each, fully paid)	2.35		
- Basic (₹)		21.17	20.40
- Diluted (₹)		21.17	20.40
Weighted average number of equity shares used in computing Earning per share	2.35		
- Basic		101,501,687	100,949,524
- Diluted		101,756,328	100,949,524
Summary of significant 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

For and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
(formerly known as 'Rainbow Children's Medicare Private Limited')
CIN: L85110TG1998PLC029914

Atin Bhargava
Partner
Membership Number.: 504777

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Dr. Dinesh Kumar Chirla
Director
DIN: 01395841

Vikas Maheshwari
Chief Financial Officer

Ashish Kapil
Company Secretary
Membership Number: A31782

Place: Hyderabad
Date: 19 May 2024

Place: Hyderabad
Date: 19 May 2024

Place: Hyderabad
Date: 19 May 2024

Standalone Statement of Cash Flows

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flows from operating activities		
Profit before tax	**2,892.17**	**2,728.34**
Adjustments:		
Depreciation and amortisation expense	1,051.51	837.08
Dividend income	(14.19)	-
Gain on redemption of mutual funds	(73.55)	(3.52)
Net gain on financial assets measured at fair value through profit or loss	(58.85)	(5.43)
Unrealised foreign exchange loss, net	0.21	1.35
Interest income on financial assets carries at amortised cost	(192.51)	(303.04)
Employee stock option cost	54.30	-
Finance cost	560.66	520.89
Impairment loss on non current investment	-	46.30
Inter corporate deposits written off (including interest accrued)	-	0.66
Advances written off	3.46	8.46
Allowances for doubtful advances	-	2.97
Bad debts written off	0.15	10.49
(Reversal) / Allowance for expected credit loss	(28.42)	42.22
Net gain on sale of property, plant and equipment	(1.27)	(0.30)
Liabilities no longer required written back	(0.69)	-
	4,192.98	**3,886.47**
Adjustments for working capital:		
Increase in inventories	(49.12)	(37.93)
Increase in trade receivables	(177.91)	(184.44)
(Increase) / decrease in financial and other assets	(52.47)	106.53
Increase in trade payables	13.67	184.50
Decrease in financial liabilities and provisions	(2.23)	(16.38)
Cash generated from operations	**3,924.92**	**3,938.75**
Income tax paid	(860.74)	(783.19)
Net cash from operating activities (A)	**3,064.18**	**3,155.56**
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	(3,520.90)	(1,396.89)
Proceeds from sale of property, plant and equipment	1.27	1.47
Investments in unquoted equity instruments of subsidiary	-	(310.01)
Bank deposits redeemed / (placed) with maturity of more than three months, net	3,292.72	(3,097.03)
Interest received	225.39	223.60
Dividend received	14.19	-
Gain on redemption of mutual funds, net	73.55	3.52
Investment in mutual funds	(8,530.96)	(1,174.94)
Redemption of mutual funds	6,174.98	820.02
Loans given	(2.00)	(11.35)
Loans realised	134.50	338.85
Net cash used in investing activities (B)	**(2,137.26)**	**(4,602.76)**
Cash flows from financing activities		
Repayment of long-term borrowings	-	(398.11)
Principal payment of lease liabilities	(680.24)	(551.46)
Finance cost	-	(32.06)
Proceeds from issue of share capital	-	2,800.00
Share issue expenses refund/(paid)	14.70	(138.60)
Dividend paid	(304.44)	(202.93)
Net cash (used in) / from financing activities (C)	**(969.98)**	**1,476.84**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(43.06)	29.64
Cash and cash equivalents at the beginning of the year	117.91	88.27
Cash and cash equivalents at the end of the year (note b)	**74.85**	**117.91**

Standalone Statement of Cash Flows (Contd..)

(All amounts are in 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)]

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	7.42	4.93
Balance with banks:		
- Current accounts	67.43	87.98
- On deposit accounts (with original maturity of 3 months or less)	-	25.00
	74.85	**117.91**

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.

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance:		
Borrowings	-	398.11
Interest accrued on borrowings	-	18.53
Lease liabilities	5,382.90	5,060.38
Movement:		
Borrowings:		
Repayment of borrowings	-	(398.11)
Interest expense	-	13.53
Interest repayment	-	(32.06)
Lease liabilities:		
Finance cost on lease liabilities (including capitalisation)	592.12	507.36
Addition to lease liabilities, net	2,011.42	264.48
Lease modification	40.80	102.14
Payment of lease liabilities	(680.24)	(551.46)
Closing balance:		
Lease liabilities	7,347.00	5,382.90

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

Atin Bhargava
Partner
Membership Number.: 504777

Place: Hyderabad
Date: 19 May 2024

For and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
(formerly known as 'Rainbow Children's Medicare Private Limited')
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Dr. Dinesh Kumar Chirla
Director
DIN: 01395841

Vikas Maheshwari
Chief Financial Officer

Ashish Kapil
Company Secretary
Membership Number: A31782

Place: Hyderabad
Date: 19 May 2024

Place: Hyderabad
Date: 19 May 2024

Standalone Statement of Changes in Equity

(All amounts are in 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 2022	**94,053,928**	**940.54**
Add: Shares issued during the year	5,167,679	51.68
Add: Converted during the year	2,280,080	22.80
As at 01 April 2023	**101,501,687**	**1,015.02**
Add: Shares issued during the year	-	-
Add: Converted during the year	-	-
As at 31 March 2024	**101,501,687**	**1,015.02**
Series A CCPS of ₹ 48 each issued, subscribed and fully paid-up		
As at 01 April 2022	**1,146,771**	**55.05**
Add: Shares issued during the year	-	-
Less: Converted during the year	(1,146,771)	(55.05)
As at 01 April 2023	**-**	**-**
Add: Shares issued during the year	-	-
Less: Converted during the year	-	-
As at 31 March 2024	**-**	**-**
Series B CCPS of ₹ 48 each issued, subscribed and fully paid-up		
As at 01 April 2022	**1,133,309**	**54.40**
Add: Shares issued during the year	-	-
Less: Converted during the year	(1,133,309)	(54.40)
As at 01 April 2023	**-**	**-**
Add: Shares issued during the year	-	-
Less: Converted during the year	-	-
As at 31 March 2024	**-**	**-**

(B) OTHER EQUITY

Particulars	Securities premium	General reserve	Debenture redemption reserve	Retained earning	Total other equity
Balance as at 1 April 2022	1,275.91	44.43	40.00	3,952.61	5,312.95
Shares issued during the year	2,834.97	-	-	-	2,834.97
Profit for the year	-	-	-	2,058.93	2,058.93
Amount transferred from debenture redemption reserve	-	-	-	40.00	40.00
Appropriations:					
Amount transferred /utilised	-	-	(40.00)	-	(40.00)
Unpaid dividend	-	-	-	(0.07)	(0.07)
Share issue expenses	(138.60)	-	-	-	(138.60)
Final dividend on equity shares for the year ended 31 March 2022. i.e. ₹ 2 per share	-	-	-	(202.93)	(202.93)
Remeasurement of defined benefit liability, net of tax effect	-	-	-	3.61	3.61
Balance as at 31 March 2023	**3,972.28**	**44.43**	**-**	**5,852.15**	**9,868.86**

Standalone Statement of Changes in Equity (Contd..)

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	Securities premium	General reserve	Share Options outstanding account	Retained earning	Total other equity
Balance as at 1 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**

** During the 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.

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Atin Bhargava
Partner
Membership Number.: 504777

Place: Hyderabad
Date: 19 May 2024

For and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
(formerly known as 'Rainbow Children's Medicare Private Limited')
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Dr. Dinesh Kumar Chirla
Director
DIN: 01395841

Vikas Maheshwari
Chief Financial Officer

Ashish Kapil
Company Secretary
Membership Number: A31782

Place: Hyderabad
Date: 19 May 2024

Place: Hyderabad
Date: 19 May 2024

Notes to the Standalone Financial Statements

(All amounts are in 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 19 May 2024.

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 Rs.), 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 2023.

(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

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 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

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 date. The fair vale 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.

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 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

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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.

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

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 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.

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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.

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.

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 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

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 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.

h. Employee benefits

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.

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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).

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

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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.

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.

l. 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

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(All amounts are in rupees millions, except share data and unless otherwise stated)

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 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.

Notes to the Standalone Financial Statements

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Hence, no separate final disclosure have been provided for the segment reporting..

u. Recent accounting pronouncements

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 01 April 2023.

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, to amend the following Ind AS which are effective from 01 April 2023.

1. Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 01 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

There is no material impact on the Company's financial statements due to these amendments.

2. Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

There is no material impact on the Company's financial statements due to these amendments.

3. Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

There is no material impact on the Company's financial statements due to these amendments.

v. 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

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.1 (a) PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	Freehold land (refer note (i) below)	Buildings (refer note (i) below)	Leasehold improvements (refer note (ii) below)	Medical equipments (refer note (ii) below)	Plant and equipments	Furniture and fixtures	Office equipments	Vehicles	Computers	Total	Capital work-in-progress
Cost or deemed cost											
As at 1 April 2022	33.06	398.11	2,627.10	1,349.59	747.53	414.07	192.43	144.71	101.00	6,007.60	46.00
Additions	-	1.00	542.05	290.80	139.65	78.48	47.43	36.20	37.08	1,172.68	1,335.67
Disposals*	-	-	-	-	(1.80)	(0.27)	-	(4.86)	(0.06)	(6.99)	(1,172.68)
As at 31 March 2023 (A)	**33.06**	**399.11**	**3,169.15**	**1,640.39**	**885.38**	**492.28**	**239.86**	**176.05**	**138.02**	**7,173.29**	**208.98**
As at 1 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 (B)	**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**
Accumulated depreciation:											
As at 1 April 2022	-	8.52	602.60	729.48	200.75	185.68	136.14	70.78	77.11	2,011.06	-
Depreciation	-	6.61	155.56	181.24	56.21	45.68	28.76	25.03	18.46	517.55	-
Disposals	-	-	-	-	(0.91)	(0.14)	-	(4.71)	(0.06)	(5.82)	-
As at 31 March 2023 (C)	**-**	**15.13**	**758.16**	**910.72**	**256.05**	**231.22**	**164.90**	**91.10**	**95.51**	**2,522.79**	**-**
As at 1 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 (D)	**-**	**21.77**	**957.12**	**1,124.93**	**322.40**	**290.81**	**212.07**	**117.72**	**129.37**	**3,176.19**	**-**
Net carrying amount											
As at 31 March 2023 (A-C)	33.06	383.98	2,410.99	729.67	629.33	261.06	74.96	84.95	42.51	4,650.50	208.98
As at 31 March 2024 (B-D)	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:

(i) 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 1 April 2019. As at 31 March 2024, leasehold improvements and medical equipments include ₹98.74 million and ₹ 36.83 million (31 March 2023: ₹106.03 million and ₹ 55.17 million) respectively in respect of this hospital. The Management is utilising the assets for the purpose of providing medical services at MMHRC.

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

(ii) Refer note 2.38 for details of incidental expenditure capitalised during the construction period.

(iii) 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.

(iv) On transition to Ind AS, the Company has elected to continue with the net carrying value of all Property, plant and equipment measured as per the previous GAAP and use that net carrying value as the deemed cost of Property, plant and equipment.

Capital work-in-progress (CWIP) ageing schedule:

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	-	-	-	-	-

As at 31 March 2023

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	205.53	2.88	0.57	-	208.98
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 2024 and 31 March 2023.

2.1 (b) Other intangible assets and Intangible assets under development

Particulars	Other Intangible assets Software	Intangible assets under development
Cost or deemed cost		
As at 1 April 2022	98.63	11.63
Additions	29.13	36.58
Disposals*	-	(29.13)
As at 31 March 2023 (A)	**127.76**	**19.08**
As at 1 April 2023	127.76	19.08
Additions	20.59	62.43
Disposals*	-	(20.59)
As at 31 March 2024 (B)	**148.35**	**60.92**
Accumulated amortisation		
As at 1 April 2022	85.95	-
Amortisation	8.72	-
Disposals	-	-
As at 31 March 2023 (C)	**94.67**	**-**
As at 1 April 2023	94.67	-
Amortisation	12.98	-
Disposals	-	-
As at 31 March 2024 (D)	**107.65**	**-**
Net carrying amount		
As at 31 March 2023 (A-C)	33.09	19.08
As at 31 March 2024 (B-D)	40.70	60.92

** Disposals with respect to intangible assets under development represents intangible asset capitalisations.*

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Intangible assets under development ageing schedule:

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	-	-	-	-	-

As at 31 March 2023

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	18.80	0.28	-	-	19.08
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 2024 and 31 March 2023.

2.2 NON-CURRENT INVESTMENTS

(Valued at cost unless stated otherwise)

Particulars			As at 31 March 2024	As at 31 March 2023
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 2023: 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 2023: 9,999 shares)	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 2023: 9,999 shares)	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 2023: 14,185,247 shares)	142.51	142.51
	(d)	Rosewalk Healthcare Private Limited 36,046,585 shares of ₹10 each, fully paid up (31 March 2023: 36,046,585 shares)	324.11	324.11
		Less: Impairment loss **	(46.30)	(46.30)
			277.81	**277.81**

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
(e) Rainbow Fertility Private Limited 4,499,999 shares of ₹10 each, fully paid up (31 March 2023: 4,499,999 shares)	45.00	45.00
(f) Rainbow CRO Private Limited 99,999 shares of ₹10 each, fully paid up (31 March 2023: 99,999 shares)	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 2024 is ₹ 0.03 million (31 March 2023: ₹ 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 2024 (31 March 2023: ₹ 46.30 million) 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 2024	As at 31 March 2023
Bank deposits with remaining maturity more than 12 months	25.11	2,006.06
Interest accrued on deposits	2.28	69.50
Security deposits	225.02	179.80
	252.41	**2,255.36**

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 2024	As at 31 March 2023
Bank deposits with remaining maturity less than 12 months	1,698.44	2,756.79
Interest accrued on deposits	94.40	87.54
Security deposits	-	30.00
	1,792.84	**2,874.33**

2.4 NON-CURRENT TAX ASSETS (NET)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance tax (net of provision for taxation) (refer note 2.27 (b))	136.00	21.51
	136.00	**21.51**

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.5 OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
(Unsecured, considered good)		
Capital advances		
- to other than related parties	1,700.22	271.37
Prepaid expenses	25.01	11.16
Amounts paid under protest	9.99	10.03
	1,735.22	**292.56**
(Unsecured, considered doubtful)		
Capital advances (credit impaired)	0.15	11.43
Less: Allowance for doubtful advances	(0.15)	(11.43)
	-	-
	1,735.22	**292.56**

2.6 INVENTORIES

(valued at the lower of cost or net realisable value)

Particulars	As at 31 March 2024	As at 31 March 2023
Medical consumables and pharmacy items	225.86	176.74
	225.86	**176.74**

2.7 CURRENT INVESTMENTS

Particulars	As at 31 March 2024	As at 31 March 2023
Investments at fair value through profit or loss		
Quoted:		
Investments in Mutual funds - quoted		
Aditya Birla Sunlife Banking & PSU Debt Fund - Growth - Direct Plan 891,229.77 Units (31 March 2023: Nil Units)	305.59	-
Aditya Birla Sunlife Liquid Fund - Growth - Direct Plan Nil Units (31 March 2023: 55,293.93 Units)	-	20.08
HDFC Liquid Fund - Growth - Direct Plan 31,696.61 Units (31 March 2023: 8.80 Units)	150.36	0.04
HDFC Large & Midcap Fund - Growth - Direct Plan 73,194.97 Units (31 March 2023: Nil Units)	21.91	-
Bandhan Liquid Fund - Daily IDCW - Direct Plan Nil Units (31 March 2023: 0.10 Units)	-	0.00
Bandhan Liquid Fund - Growth Direct Plan 33,185.09 Units (31 March 2023: 42,770.67 Units)	96.81	116.28
UTI Money Market Fund - Growth - Direct Plan 130,817.03 Units (31 March 2023: Nil Units)	371.16	-
ICICI Prudential Large & Midcap Fund - Growth - Direct Plan 24,252.04 Units (31 March 2023: Nil Units)	22.22	-
ICICI Prudential Banking & PSU Debt Fund - Growth - Direct Plan 9,932,127.10 Units (31 March 2023: Nil Units)	305.70	-
ICICI Prudential All Seasons Bond Fund - Growth - Direct Plan 1,407,864.73 Units (31 March 2023: Nil Units)	50.22	-

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
ICICI Prudential Equity Arbitrage Fund - Growth - Direct Plan 10,692,747.42 Units (31 March 2023: Nil Units)	358.04	-
ICICI Liquid Fund - Growth - Direct Plan Nil Units (31 March 2023: 3,48,842.10 Units)	-	116.23
Sundaram Liquid Fund - Growth - Direct Plan Nil Units (31 March 2023: 56,004.61 Units)	-	111.33
Tata Money Market Fund - Growth - Direct Plan 22,126.04 Units (31 March 2023: Nil Units)	96.64	-
Tata Liquid Fund - Growth - Direct Plan Nil Units (31 March 2023: 32,715.36 Units)	-	116.19
Nippon India Liquid Fund - Growth - Direct Plan Nil Units (31 March 2023: 18,373.67 Units)	-	101.18
Parag Parikh Flexi Cap Fund - Growth - Direct Plan 259,223.76 Units (31 March 2023: Nil Units)	19.41	-
SBI Arbitrage Opportunities Fund - Growth - Direct Plan 8,818,633.98 Units (31 March 2023: Nil Units)	288.67	-
Kotak Banking & PSU Debt Fund - Growth - Direct Plan 4,989,380.42 Units (31 March 2023: Nil Units)	306.14	-
Kotak Corporate Bond Fund - Growth - Direct Plan 86,518.92 Units (31 March 2023: Nil Units)	305.86	-
Kotak Money Market Fund - Growth - Direct Plan 40,461.73 Units (31 March 2023: Nil Units)	166.80	-
Axis Liquid Fund - Growth - Direct Plan 48,676.37 Units (31 March 2023: Nil Units)	130.63	-
	2,996.16	**581.33**
Aggregate amount of quoted investments and market value thereof	2,996.16	581.33

The Company'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 2024	As at 31 March 2023
Trade receivables - unsecured, considered good (refer note (b) below)	770.56	622.22
Unbilled revenue - unsecured, considered good (refer note 2.42)	84.62	71.07
Total	**855.18**	**693.29**
Less: Allowance for expected credit loss	(139.59)	(183.88)
Net total trade receivables	**715.59**	**509.41**

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 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.

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

The Company is subject to concentration of credit risk in its trade receivables for one customer comprising of 42% (31 March 2023: 26%) 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) Refer note 2.31 (c) for related party balances.

Trade Receivables ageing schedule:

As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled revenue	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) 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**

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled revenue	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Unbilled Revenue, Undisputed - considered good	71.07	-	-	-	-	-	-	71.07
(ii) Undisputed Trade receivables – considered good	-	195.87	229.29	84.01	37.19	20.25	55.61	622.22
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iv) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled revenue	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**71.07**	**195.87**	**229.29**	**84.01**	**37.19**	**20.25**	**55.61**	**693.29**
Less: Allowance for expected credit loss								(183.88)
Net total trade receivables								**509.41**

There are no debts due by directors or other officers of the Company 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.

2.9 (a) Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	7.42	4.93
Balance with banks		
- On current accounts	67.43	87.98
- On deposit accounts (with original maturity of 3 months or less)	-	25.00
	74.85	**117.91**

(b) Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Deposit account (with original maturity more than 3 months but less than 12 months)	-	253.49
Unpaid dividend	0.07	0.07
	0.07	**253.56**

(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 2024	As at 31 March 2023
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	-	25.00
Bank deposits with original maturity more than 3 months but less than 12 months included under 'Bank balances other than cash and cash equivalents'	-	253.49
Bank deposits with original maturity more than 12 months and remaining maturity less than 12 months included under 'Other financial assets (current)'	1,698.44	2,756.79
Bank deposits with original maturity more than 12 months and remaining maturity more than 12 months included under 'Other financial assets (non-current)' *	25.11	2,006.06

** Includes ₹ Nil (31 March 2023: ₹ 139.93 million) towards margin money deposits against bank guarantees.*

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.10 LOANS (NON-CURRENT)

(Unsecured, considered good)

Particulars	As at 31 March 2024	As at 31 March 2023
Loans receivable ** ^		
- considered good	205.48	337.98
	205.48	**337.98**
Interest accrued on - Loans receivable ** ^	127.03	99.55
	332.51	**437.53**

*** Unsecured Loans receivable aggregating as at 31 March 2024: ₹ 205.48 million (31 March 2023: ₹ 337.98 million) was given to 2 parties (31 March 2023: 1 party) at an interest rate of 9.50% p.a. (31 March 2023: 9.5% p.a). This loan was given towards the working capital requirements of the borrowers.*

Subsequent to year end, 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 9.5% p.a. to 8.5% p.a.

^ Refer note 2.31 (c) for related party balances.

Disclosure under Section 186(4) of the Companies Act, 2013

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	337.98	666.01
Given during the year	2.00	11.35
Written off during the year	-	(0.53)
Repaid during the year	(134.50)	(338.85)
Closing balance	**205.48**	**337.98**

Details of Loans advanced during the year ended 31 March 2024:

Name of the borrower	Nature of relationship	Purpose of deposits given	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	337.98	-	-	(134.50)	203.48
Rosewalk Healthcare Private Limited	Related party	Working capital	-	2.00	-	-	2.00
			337.98	**2.00**	**-**	**(134.50)**	**205.48**

Details of Loans advanced during the year ended 31 March 2023:

Name of the borrower	Nature of relationship	Purpose of deposits given	As at 1 April 2022	Given during the year	Written off during the year	Repaid during the year	As at 31 March 2023
Madhukar Rainbow Children's Hospital	Others	Working capital	430.48	-	-	(92.50)	337.98
Rainbow Children's Hospital Private Limited	Related party	Working capital	0.02	-	(0.02)	-	-
Rainbow Women & Children's Hospital Private Limited	Related party	Working capital	0.51	-	(0.51)	-	-

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Name of the borrower	Nature of relationship	Purpose of deposits given	As at 1 April 2022	Given during the year	Written off during the year	Repaid during the year	As at 31 March 2023
Rosewalk Healthcare Private Limited	Related party	Working capital	233.06	11.35	-	(244.41)	-
Rainbow Fertility Private Limited	Related party	Working capital	1.84	-	-	(1.84)	-
Rainbow C R O Private Limited	Related party	Working capital	0.10	-	-	(0.10)	-
			666.01	**11.35**	**(0.53)**	**(338.85)**	**337.98**

2.11 OTHER CURRENT ASSETS

(Unsecured, considered good)

Particulars	As at 31 March 2024	As at 31 March 2023
Advances to suppliers	92.78	92.50
Prepaid expenses	39.47	49.24
Advance to employees *	5.35	8.08
	137.60	**149.82**
(Unsecured, considered doubtful)		
Advances to suppliers (credit impaired)	3.31	-
Less: Allowance for doubtful advances	(3.31)	-
	137.60	**149.82**

** Refer note 2.31(c) for advance to Key managerial personnel*

2.12 SHARE CAPITAL

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised		
150,000,000 (31 March 2023: 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		
101,501,687 (31 March 2023: 101,501,687) equity shares of ₹ 10 each, fully paid-up	1,015.02	1,015.02
	1,015.02	**1,015.02**

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

a) **Reconciliation of equity and preference shares outstanding at the beginning and at the end of the year :**

Particulars		As at 31 March 2024		As at 31 March 2023	
		Number of shares	Amount	Number of shares	Amount
(i)	**Equity shares of ₹ 10 each, fully paid-up**				
	At the commencement of the year	101,501,687	1,015.02	94,053,928	940.54
	Add: Shares issued during the year	-	-	5,167,679	51.68
	Add: Converted during the year	-	-	2,280,080	22.80
	At the end of the year	**101,501,687**	**1,015.02**	**101,501,687**	**1,015.02**
(ii)	**Series A CCPS of ₹ 48 each, fully paid-up**				
	At the commencement of the year	-	-	1,146,771	55.05
	Add: Shares issued during the year	-	-	-	-
	Less: Converted during the year	-	-	(1,146,771)	(55.05)
	At the end of the year	**-**	**-**	**-**	**-**
(iii)	**Series B CCPS of ₹ 48 each, fully paid-up**				
	At the commencement of the year	-	-	1,133,309	54.40
	Add: Shares issued during the year	-	-	-	-
	Less: Converted during the year	-	-	(1,133,309)	(54.40)
	At the end of the year	**-**	**-**	**-**	**-**

b) **Rights, preferences and restrictions attached**

i) **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.

The Board of Directors of the Company in their meeting held on 08 August 2022, approved the cancellation of unissued authorised share capital of (i) 1,146,771 0.0001% Series A Compulsorily Convertible Preference Shares of face value of ₹ 48 each and (ii) 1,133,309 0.0001% Series B Compulsorily Convertible Preference Shares of face value of ₹ 48 each and increased authorised share capital of 10,944,384 Equity Shares of ₹ 10 each amounting to ₹ 109.44. The same is approved by the members of the Company in their Annual General Meeting held on 15 September 2022.

ii) **Series A CCPS:**

On 13 August 2013, the Company had allotted 1,146,771 Series A CCPS of ₹ 48 each, fully paid-up vide agreement dated 02 August 2013 ('the agreement') entered with British International Investment plc (formerly known as CDC Group plc). As per the agreement, at the discretion of the Series A CCPS holders, each Series A CCPS is convertible into one equity share of ₹ 10 each, fully paid, at any time before the end of 18th year from the date of its allotment. In case the Series A CCPS holders do not opt for conversion, they shall be converted into 1,146,771 equity shares of ₹ 10 each, fully paid up at the end of 18th year from the date of its allotment.

The holder of this Series A CCPS are entitled to non-cumulative dividend of 0.0001%. However, in the event the Company declares any dividend on equity shares, then in addition to payment of preference dividend, the holders of Series A CCPS shall also be entitled to receive such dividend in respect of the

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Series A CCPS as is equivalent to the extent to which the equity shares resulting from the conversion of the Series A CCPS would have been entitled to receive such dividend.

The holders of the Series A CCPS shall be entitled to voting rights to the same extent as if they were equity share holders in respect of the number of equity shares into which the Series A CCPS are convertible. In the event of liquidation, holder of Series A CCPS has a preferential right over equity shareholders to be repaid to the extent of capital paid-up. Any surplus amount shall be distributed among all the shareholders including the Series A CCPS holder in proportion to their shareholding.

The Board of Directors of the Company in their meeting held on 04 April 2022, approved conversion of 1,146,771 0.0001% Series A Compulsorily Convertible Preference Shares (CCPS) of face value of ₹ 48 each into 1,146,771 Equity Shares of ₹ 10 each at a conversion ratio of 1:1, ranking pari passu with the existing Equity Shares of the Company.

iii) Series B CCPS:

On 04 February 2016, the Company had allotted 1,133,309 Series B CCPS of ₹ 48 each, fully paid up vide agreement dated 24 December 2015 ('the Series B agreement') entered with CDC India Opportunities Limited. As per the Series B agreement, at the discretion of the Series B CCPS holders, each Series B CCPS is convertible into one equity share of ₹ 10 each, fully paid-up, at any time before the end of 18th year from the date of its allotment. In case the Series B CCPS holders do not opt for conversion, they shall be converted into 1,133,309 equity shares of ₹ 10 each, fully paid-up at the end of 18th year from the date of its allotment.

The holder of this Series B CCPS are entitled to non cumulative dividend of 0.0001%. However, in the event the Company declares any dividend on equity shares, then in addition to payment of preference dividend, the holders of Series B CCPS shall also be entitled to receive such dividend in respect of the Series B CCPS as is equivalent to the extent to which the equity shares resulting from the conversion of the Series B CCPS would have been entitled to receive such dividend.

The holders of the Series B CCPS shall be entitled to voting rights to the same extent as if they were equity share holders in respect of the number of equity shares into which the Series B CCPS are convertible. In the event of liquidation, holder of Series B CCPS has a preferential right over equity shareholders to be repaid to the extent of capital paid-up. Any surplus amount shall be distributed among all the shareholders including the Series B CCPS holder in proportion to their shareholding.

The Board of Directors of the Company in their meeting held on 04 April 2022, approved conversion of 1,133,309 0.0001% Series B Compulsorily Convertible Preference Shares of face value of ₹ 48 each into 1,133,309 Equity Shares of ₹ 10 each, at a conversion ratio of 1:1, ranking pari passu with the existing Equity Shares of the Company.

c) Particulars of shareholders holding more than 5% shares of a class of shares:

Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares	%	Number of shares	%
(i) Equity shares of ₹ 10 each, fully paid-up held by:				
- Dr. Ramesh Kancharla	31,494,654	31.03%	31,494,654	31.03%
- Dr. Dinesh Kumar Chirla	6,633,310	6.54%	6,633,310	6.54%
- Dr. Adarsh Kancharla	6,110,432	6.02%	6,110,432	6.02%
- Kancharla Family Trust	5,179,200	5.10%	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.

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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 (each class)

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%**	**-**

As at 31 March 2023

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	36,849,284	(5,354,630)	31,494,654	31.03%	14.53%
Dr Dinesh Kumar Chirla	8,560,000	(1,926,690)	6,633,310	6.54%	22.51%
Dr Adarsh Kancharla	7,555,452	(1,445,020)	6,110,432	6.02%	19.13%
Kancharla Family Trust	5,179,200	-	5,179,200	5.10%	-
Total	**58,143,936**	**(8,726,340)**	**49,417,596**	**48.69%**	**56.16%**

2.13 OTHER EQUITY

Promoter Name	Securities premium	General reserve	Debenture redemption reserve	Retained earning	Total other equity
Balance as at 1 April 2022	1,275.91	44.43	40.00	3,952.61	5,312.95
Shares issued during the year	2,834.97	-	-	-	2,834.97
Profit for the year	-	-	-	2,058.93	2,058.93
Amount transferred from debenture redemption reserve	-	-	-	40.00	40.00
Appropriations:					
Amount transferred /utilised	-	-	(40.00)	-	(40.00)
Unpaid dividend	-	-	-	(0.07)	(0.07)
Share issue expenses	(138.60)	-	-	-	(138.60)
Final dividend on equity shares for the year ended 31 March 2022. i.e. ₹ 2 per share	-	-	-	(202.93)	(202.93)
Remeasurement of defined benefit liability, net of tax effect	-	-	-	3.61	3.61
Balance as at 31 March 2023	**3,972.28**	**44.43**	**-**	**5,852.15**	**9,868.86**

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Promoter Name	Securities premium	General reserve	Share Options Outstanding	Retained earning	Total other equity
Balance as at 1 April 2023	3,972.28	44.43	-	5,852.15	9,868.86
Profit for the year	-	-	-	2,148.91	2,148.91
Employee share based payment expenses (refer note 2.45)	-	-	96.58	-	96.58
Appropriations:					
Refund of share issue expenses *	14.70	-	-	-	14.70
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**

** During the 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.

Debenture redemption reserve

The Company had issued non-convertible debentures. The company is required to create debenture redemption reserve out of the profits of the Company available for payment of dividend to its shareholders.

Retained earnings

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 grant date fair value of options issued under 'Rainbow Children's Medicare Limited - Employee Stock Unit Plan 2023 (refer note 2.45).

Dividend

Distribution made and proposed

Particulars	31 March 2024	31 March 2023
Dividends on equity shares declared and paid:		
Final dividend for the year ended 31 March 2023: ₹ 3 per share (31 March 2022: ₹ 2 per share)	304.51	203.00
	304.51	**203.00**
Proposed dividends on Equity shares:		
Proposed dividend for the year ended 31 March 2024: ₹ 3 per share (31 March 2023: ₹ 3 per share)	304.51	304.51
	304.51	**304.51**

The Board of Directors of the Company, at its meeting held on 19 May 2024, have proposed a final dividend of ₹ 3 per Equity Share having face value of ₹10 each aggregating to ₹304.51 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 Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.14 PROVISIONS (NON-CURRENT)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
- Gratuity (refer note 2.30(b))	55.93	68.02
- Compensated absences	17.01	-
	72.94	**68.02**

2.15 TRADE PAYABLES

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables		
- total outstanding dues to micro enterprises and small enterprises (MSME) (refer note 2.36)	86.09	78.08
- total outstanding dues to creditors other than micro enterprises and small enterprises	677.30	671.61
	763.39	**749.69**

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 2024

Particulars	Outstanding for following periods due date of payment					
	Current but not due	Less than - 1 year	1-2 years	2-3 years	More than 3 years	Total
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	503.01	6.57	3.49	0.92	677.30
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**163.31**	**587.47**	**7.99**	**3.68**	**0.94**	**763.39**

As at 31 March 2023

Particulars	Outstanding for following periods due date of payment					
	Current but not due	Less than - 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Total outstanding dues of micro enterprises and small enterprises (refer note 2.36)	-	78.08	-	-	-	78.08
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	118.05	542.52	9.38	1.26	0.40	671.61
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**118.05**	**620.60**	**9.38**	**1.26**	**0.40**	**749.69**

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.16 OTHER FINANCIAL LIABILITIES (CURRENT) (AT AMORTISED COST)

Particulars	As at 31 March 2024	As at 31 March 2023
Employee benefit payables ^	91.39	161.32
Creditor for capital goods	211.57	167.55
Other payables	21.53	0.07
	324.49	**328.94**

^ *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 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity (refer note 2.30 (b))	17.02	3.43
Compensated absences	10.70	12.81
	27.72	16.24
Provision for claims, other than taxes*	1.94	1.94
	29.66	**18.18**
***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 LIABILITY (NET)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for taxation (net of advance tax)	0.01	0.83
	0.01	**0.83**

2.19 OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2024	As at 31 March 2023
Contract liabilities (advance from patients) (refer note. 2.42)	33.72	28.59
Statutory liabilities	80.63	73.14
	114.36	**101.73**

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.20 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income from medical and healthcare services		
- Revenue from hospital services (refer note 2.42)	10,710.49	9,655.51
- Revenue from pharmacy sales (refer note 2.42)	1,299.05	1,138.56
- Revenue from medical service fee (refer note 2.42)	253.05	225.41
	12,262.59	**11,019.48**
Other operating income		
- Cord blood extraction	28.60	31.84
- Canteen income	32.79	37.73
- Sponsorship income	-	22.72
- Sale of baby products	1.86	-
- Others	39.78	28.13
	103.03	**120.42**
Total revenue from operations	**12,365.62**	**11,139.90**

2.21 OTHER INCOME

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on financial assets carried at amortised cost		
- Bank deposits	151.75	240.46
- Loans (refer note 2.31)	27.48	50.81
- Other financial assets carried at amortised cost	13.28	11.77
Dividend income from subsidiary	14.19	-
Gain on redemption of mutual funds, net	73.55	3.52
Net gain on financial assets measured at fair value through profit or loss	58.85	5.43
Reversal of expected credit loss, net	28.42	-
Liabilities no longer required written back	0.69	-
Gain on sale of property, plant and equipment, net	1.27	0.30
	369.48	**312.29**

2.22 COST OF MATERIALS CONSUMED

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory at the beginning of the year	176.74	138.81
Add: Purchases during the year	1,620.39	1,539.15
Less: Closing inventory	(225.86)	(176.74)
	1,571.27	**1,501.22**

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.23 EMPLOYEE BENEFITS EXPENSE *

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	1,480.46	1,222.42
Contribution to provident and other funds (refer note 2.30(a))	63.35	49.18
Gratuity expense (refer note 2.30(b))	28.88	22.52
Employee share based payment expenses (refer note 2.45)	54.30	-
Staff welfare expenses	60.10	66.26
	1,687.09	**1,360.38**

** Net of amount capitalised (refer note 2.38)*

2.24 FINANCE COSTS *

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest cost on financial liabilities measured at amortised cost		
- on debentures	-	7.29
Interest expense on lease liabilities (refer note 2.32)	560.66	507.36
Others (including interest on income tax)	-	6.24
	560.66	**520.89**

** Net of amount capitalised (refer note 2.38)*

2.25 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment (refer note 2.1(a))	656.74	517.55
Amortisation of intangible assets (refer note 2.1(b))	12.98	8.72
Depreciation of right-of-use assets (refer note 2.32) *	381.79	310.81
	1,051.51	**837.08**

** Net of amount capitalised (refer note 2.38)*

2.26 (i) PROFESSIONAL FEES TO DOCTORS *

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Professional fees to doctors *	2,877.30	2,554.04
	2,877.30	**2,554.04**

** Net of amount capitalised (refer note 2.38)*

2.26 (ii) OTHER EXPENSES *

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Hospital maintenance	62.83	59.31
Canteen expenses	223.07	180.45
Contract wages	308.24	254.07
Housekeeping expenses	72.86	70.37
Power and fuel	248.09	194.23
Lab and investigations	164.11	112.69

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Repairs and maintenance		
- Plant and equipment	74.21	64.73
- Others	155.09	194.33
Rent (refer note 2.32)	15.62	13.22
Rates and taxes	133.39	111.08
Business promotion and advertisement	272.85	262.75
Travelling and conveyance	56.31	48.58
Printing and stationary	80.49	71.56
Bad debts written off	0.15	10.49
Inter corporate deposits written off (including interest accrued)	-	0.66
Allowance for expected credit loss	-	42.22
Advances written off	3.46	11.43
Communication expenses	64.63	60.88
Insurance	15.73	12.09
Professional and consultancy	56.98	50.11
Audit fees (refer note 2.34)	6.33	6.85
Impairment loss on non current investment	-	46.30
Directors sitting fees	5.43	5.02
Donations	-	0.40
Corporate social responsibility (refer note 2.37)	35.23	24.33
Bank charges	32.64	30.01
Foreign exchange loss, net	0.21	1.35
Miscellaneous expenses	7.16	10.73
	2,095.10	**1,903.94**

** Net of amount capitalised (refer note 2.38)*

2.27 TAX EXPENSE, NET

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Amounts recognised in the Statement of Profit and Loss		
Current tax	745.43	811.41
Deferred tax credit	(2.17)	(142.00)
	743.26	**669.41**
Amounts recognised in other comprehensive income		
Deferred tax credit	(4.33)	(1.22)
	(4.33)	**(1.22)**
a. Reconciliation of effective tax rate		
Profit before tax	2,892.17	2,728.34
Enacted tax rate	25.17%	25.17%
Tax expense at enacted rates	727.90	686.67
80JJAA deduction	(8.81)	(2.34)
Expenses not deductible for tax	12.06	4.11
Others	16.44	(17.81)
	747.59	**670.63**

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

b. The following table provides the details of non-current tax assets and current tax liabilities:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Non-current tax assets, net	136.00	21.51
Current tax liabilities, net	(0.01)	(0.83)
Net non-current tax assets at the end of the year	**135.99**	**20.68**

c. The gross movement in the net non-current tax assets is as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Net non-current tax assets at the beginning of the year	20.68	48.90
Income tax paid	860.74	783.19
Income tax expense for the year	(745.43)	(811.41)
Net non-current tax assets at the end of the year	**135.99**	**20.68**

d. Recognition of deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax liability		
Property, plant and equipment	254.76	257.47
Right-of-use of assets	1,403.08	955.11
Others	14.81	1.37
Total deferred tax liability	**1,672.65**	**1,213.95**
Deferred tax asset		
Loss allowance on receivables	35.13	59.72
Provision for employee benefits	30.92	22.42
Provision for bonus	11.19	32.88
Lease liabilities	1,849.09	1,354.77
Total deferred tax asset	**1,926.33**	**1,469.79**
Net deferred tax assets	**253.68**	**255.84**

(ii) Movement in temporary differences

Particulars	Balance as at 1 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	1,354.77	494.32	-	1,849.09
Right-of-use of assets	(955.11)	(447.97)	-	(1,403.08)
Property, plant and equipment	(257.47)	2.71	-	(254.76)
Others	(1.37)	(13.44)	-	(14.81)
	255.84	**2.17**	**(4.33)**	**253.68**

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	Balance as at 1 April 2022	Recognised in standalone statement of profit or loss during the year	Recognised in OCI during the year	Balance as at 31 March 2023
Loss allowance on receivables	35.66	24.06	-	59.72
Provision for employee benefits	17.06	6.58	(1.22)	22.42
Provision for bonus	30.85	2.03	-	32.88
Lease liabilities	1,273.70	81.07	-	1,354.77
Right-of-use of assets	(973.53)	18.42	-	(955.11)
Property, plant and equipment	(267.36)	9.89	-	(257.47)
Others	(1.32)	(0.05)	-	(1.37)
	115.06	**142.00**	**(1.22)**	**255.84**

2.28 CONTINGENT LIABILITIES

	Particulars	As at 31 March 2024	As at 31 March 2023
(i)	Demands under dispute		
	- Income-tax matters	4.14	-
	- Goods and services tax	79.06	-
	- Luxury tax demand under dispute	18.55	18.55
(ii)	Claims against the Company not acknowledged as debt (Medico-legal)*	112.04	84.85
		213.79	**103.40**

** 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.*

iii) In February 2019, the Honourable Supreme Court of India vide its judgement, clarified the definition and scope of 'Basic Wages' under the Employees' Provident Funds & Miscellaneous Provision Act, 1952. The judgement is silent on the retrospective application and in the absence of any guidelines by the regulatory authorities and considering the practical difficulties, no effect is given for the earlier years as the same is currently not determinable.

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 2024	As at 31 March 2023
-	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	315.69	373.50

Notes to the Standalone Financial Statements

(All amounts are in 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 2024 amounts to ₹ 55.28 million and ₹ 8.07 million respectively (31 March 2023: ₹ 40.78 million and ₹ 8.40 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 2024	As at 31 March 2023
Defined benefit obligation	77.95	71.45
Fair value of plan assets	(5.00)	-
Net defined benefit obligation	**72.95**	**71.45**
Provisions (current) (Refer note 2.17)	17.02	3.43
Provisions (non-current) (Refer note 2.14)	55.93	68.02

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 2024	As at 31 March 2023
Defined benefit obligation as at beginning of the year	71.45	58.01
Current service cost	23.65	18.42
Interest cost	5.23	4.12
Actuarial gains recognised in other comprehensive income	(17.21)	(4.83)
Benefits paid	(5.17)	(4.27)
Defined benefit obligation at the end of the year	**77.95**	**71.45**

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

ii. Reconciliation of fair value of plan assets

Particulars	As at 31 March 2024	As at 31 March 2023
Plan assets as at the beginning of the year	-	-
Contributions paid in to the plan	10.18	-
Return on plan assets less interest on plan assets	(0.00)	-
Benefits paid	(5.18)	-
	5.00	**-**

C. (i) Gratuity expense recognised in the statement of profit and loss:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	23.65	18.42
Interest on defined benefit obligation	5.23	4.12
Gratuity expenses, included in employee benefit expenses	**28.88**	**22.54**

C. (ii) Re-measurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial (gain) on defined benefit obligation		
- Actuarial loss/(gain) arising from change in financial assumptions	0.95	(2.26)
- Actuarial gain arising from change in demographic assumptions	(17.59)	-
- Actuarial gain arising on account of experience changes	(0.57)	(2.57)
Actuarial gain recognised in other comprehensive income	**(17.21)**	**(4.83)**

D. Plan assets

Plan assets comprises of the following :

Particulars	As at 31 March 2024	As at 31 March 2023
Fund managed by insurer	5.00	-

E. Defined benefit obligation

Actuarial assumptions at balance sheet date:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Discount rate	7.15% p.a	7.50% p.a
Salary escalation rate	8% p.a	8% p.a
Attrition rate		
Age 21 to 30	49% p.a	10% p.a
Age 31 to 40	34% p.a	5% p.a
Age 41 to 50	24% p.a	3% p.a
51 and above	18% p.a	2% p.a
Retirement Age	58 years	58 years

Maturity profile of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023
1st following year	22.02	3.43
Year 2 to 5	49.73	15.11
Year 6 to 9	21.17	20.44
For 10 years and above	11.18	184.86

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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:

Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (50 bps movement)	76.60	79.36	67.23	76.08
Salary escalation rate (50 bps movement)	79.28	76.66	75.80	67.42

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 2025 is ₹ 22.02 millions.

The weighted average duration of the defined benefit obligation is 3.54 years (31 March 2023: 12.37 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
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
	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 (appointed w.e.f 15 April 2023)
	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
Enterprise exercising significant influence on the Company	British International Investment plc (formerly known as CDC Group plc) (up to 05 December 2022)
	CDC India Opportunities Limited (up to 05 December 2022)
	CDC Emerging Markets Limited (up to 05 December 2022)
Enterprises where key managerial personnel along with their relatives exercise significant influence	Ravindranath GE Medical Associates Private Limited
	Rainbow Children's Foundation (Trust)
	Rainbow Children's Hospital Foundation (Trust) (w.e.f 12 September 2023)
Enterprises where relative of key managerial personnel is a member	Unimed Healthcare Private Limited

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

(b) Following is the summary of significant related party transactions during the year:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from medical/ professional services rendered		
- Rainbow Children's Foundation (Trust)	7.34	1.95
Revenue from pharmacy sales		
- Rainbow Speciality Hospitals Private Limited	7.90	7.77
- Rosewalk Healthcare Private Limited	9.41	11.43
Revenue from medical service fee		
- Rainbow Speciality Hospitals Private Limited	-	3.18
- Rosewalk Healthcare Private Limited	-	7.20
Other expense		
- Rainbow Speciality Hospitals Private Limited	0.21	-
- Rainbow Children's Hospital Private Limited	-	0.13
- Rainbow Women & Children's Hospital Private Limited	-	0.13
- Rainbow C R O Private Limited	-	0.23
Professional services received		
- Ravindranath GE Medical Associates Private Limited	7.28	7.71
- Unimed Healthcare Private Limited	13.52	-
Medical service fee paid		
- Rainbow Speciality Hospitals Private Limited	3.15	-
- Ravindranath GE Medical Associates Private Limited	0.25	-
Medical consumables and pharmacy items		
- Rainbow Speciality Hospitals Private Limited	0.30	0.23
- Rosewalk Healthcare Private Limited	4.41	0.35
Dividend Received		
- Rainbow Speciality Hospitals Private Limited	14.19	-
Reimbursement of expenditure		
- Rainbow Speciality Hospitals Private Limited	-	0.53
Rental expenditure		
- Unimed Healthcare Private Limited	48.46	24.38
- Rainbow Speciality Hospitals Private Limited	-	0.76
CSR expenditure		
- Rainbow Children's Hospital Foundation (Trust)	10.00	-
Rental income		
- Rosewalk Healthcare Private Limited	0.10	-
Interest income on inter-corporate deposit		
- Rainbow Children's Hospital Private Limited	-	0.00
- Rainbow Women & Children's Hospital Private Limited	-	0.04
- Rosewalk Healthcare Private Limited	0.07	11.30
- Rainbow Fertility Private Limited	-	0.04
- Rainbow C R O Private Limited	-	0.01
Investment in equity share capital		
- Rosewalk Healthcare Private Limited	-	310.00
Inter-corporate deposits placed		
- Rosewalk Healthcare Private Limited	2.00	11.35

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inter-corporate deposit realised		
- Rainbow Fertility Private Limited	-	1.84
- Rosewalk Healthcare Private Limited	-	244.42
- Rainbow C R O Private Limited	-	0.10
Inter-corporate deposit written off		
- Rainbow Women & Children's Hospital Private Limited	-	0.51
- Rainbow Children's Hospital Private Limited	-	0.02
Interest on Inter-corporate deposit realised		
- Rosewalk Healthcare Private Limited	-	68.25
- Rainbow Fertility Private Limited	-	0.25
- Rainbow C R O Private Limited	-	0.03
Interest accrued on inter corporate deposit written off		
- Rainbow Women & Children's Hospital Private Limited	-	0.12
- Rainbow Children's Hospital Private Limited	-	0.00
Impairment of investment in Equity shares		
- Rosewalk Healthcare Private Limited	-	46.30
Travel advance to KMP		
- Dr. Ramesh Kancharla	0.33	-
Professional charges to KMP		
- Dr. Dinesh Kumar Chirla	34.04	39.80
- Dr. Adarsh Kancharla	0.96	-
Expenses incurred on behalf of related parties		
- Mr. Ramadhara Naidu Kancharla	0.05	0.02
Remuneration to KMP*		
- Dr. Ramesh Kancharla	65.00	65.00
- Mr. R.Gowrisankar	1.72	10.27
- Mr. Vikas Maheshwari	12.36	-
- Mr. Sanjeev Sukumaran	23.19	-
- Mr. Ashish Kapil	2.77	2.80
Project management consultancy fee to relative of KMP		
- Mr. Ramadhara Naidu Kancharla	6.00	6.00
Consultancy fee to KMP		
- Dr. Adarsh Kancharla	-	0.60
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	1.15	1.05
- Mr. Aluri Srinivasa Rao	0.80	1.10
- Mrs. Sundari Raviprasad Pisupati	1.15	0.90
- Mr. Santanu Mukherjee	1.40	1.20
- Dr. Adarsh Kancharla	0.10	-

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Leave travel allowance paid to KMP		
- Dr. Ramesh Kancharla	3.05	2.57
- Dr. Dinesh Kumar Chirla	1.20	1.20
Expenditure incurred on behalf of KMP		
- Dr. Dinesh Kumar Chirla	0.07	-
Redemption of 9.50% redeemable non-convertible debentures		
- CDC Emerging Markets Limited	-	400.00
Interest on 9.50% redeemable non-convertible debentures		
- CDC Emerging Markets Limited	-	7.29
Interest paid on 9.50% redeemable non-convertible debentures		
- CDC Emerging Markets Limited	-	25.82
Dividend paid during the year to KMP and relative of KMP		
- Dr. Ramesh Kancharla	94.48	62.99
- Dr. Dinesh Kumar Chirla	19.90	13.27
- Dr. Adarsh Kancharla	18.33	12.22
- Mr. Ramadhara Naidu Kancharla	0.18	0.12
- Mr. R.Gowrisankar	0.01	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.*

c) **The Company has the following amounts due from/ to the related parties**

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables		
- Ravindranath GE Medical Associates Private Limited	1.29	0.01
- Rainbow Speciality Hospitals Private Limited	-	0.00
- Rosewalk Healthcare Private Limited	0.01	2.70
- Rainbow Children's Foundation (Trust)	-	0.04
Trade receivables		
- Rainbow Speciality Hospitals Private Limited	-	0.01
- Rosewalk Healthcare Private Limited	32.70	25.38
- Rainbow Children's Foundation (Trust)	1.19	0.00
Salary advance to KMP		
- Mr. R.Gowrisankar	-	0.40
Travel advance to KMP		
- Dr. Ramesh Kancharla	0.33	-
Project management consultancy fee payable to relative of KMP		
- Mr. Ramadhara Naidu Kancharla	0.50	0.50
Consultancy fee payable to KMP		
- Dr. Adarsh Kancharla	-	0.10
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

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars		As at 31 March 2024	As at 31 March 2023
Professional fee payable to KMP			
-	Dr. Dinesh Kumar Chirla	2.80	3.35
Leave travel allowance payable to KMP			
-	Dr. Dinesh Kumar Chirla	-	0.61
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	-
Interest accrued on inter corporate deposits			
-	Rosewalk Healthcare Private Limited	0.07	-
Rent Payable			
-	Unimed Healthcare Private Limited	4.37	3.75
Rental Security Deposit paid			
-	Unimed Healthcare Private Limited	30.00	30.00
Rental Security Deposit received			
-	Rosewalk Healthcare Private Limited	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.)

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 1 April 2022	**4,848.74**
Additions	296.26
Disposals	(2.13)
Modification	146.92
Cost as at 31 March 2023 (A)	**5,289.79**
Cost as at 1 April 2023	5,289.79
Additions	2,049.20

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	Category of ROU Assets
	Buildings
Disposals	(4.86)
Modification	40.80
Cost as at 31 March 2024 (B)	**7,374.93**
Accumulated amortisation	
Accumulated depreciation as at 1 April 2022	729.40
Depreciation charge for the year	310.81
Modification	18.41
Accumulated depreciation as at 31 March 2023 (C)	**1,058.62**
Accumulated depreciation as at 1 April 2023	1,058.62
Depreciation charge for the year	381.79
Depreciation capitalised (refer note 2.38)	19.08
Accumulated depreciation as at 31 March 2024 (D)	**1,459.49**
Net carrying amounts	
As at 31 March 2023 (A-C)	4,231.17
As at 31 March 2024 (B-D)	5,915.44

B The following is the rental expense recorded for short-term leases, variable leases and low value leases

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Short- term lease	15.62	13.22
Total	**15.62**	**13.22**

C Following is the movement in lease liabilities :

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening Balance	**5,382.90**	**5,060.38**
Additions	2,016.73	264.81
Finance cost charge for the year	560.66	507.36
Finance cost capitalised (refer note 2.38)	31.46	-
Disposals	(5.31)	(0.33)
Payment of lease liabilities	(680.24)	(551.46)
Modification	40.80	102.14
Lease liability at the end of the year	**7,347.00**	**5,382.90**
Non-current lease liabilities	7,193.80	5,291.63
Current lease liabilities	153.20	91.27

D The following is the cash outflow on leases during the year:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Payment of lease liabilities	680.24	551.46
Short-term lease expense	15.62	13.22
Total cash outflow on leases	**695.86**	**564.68**

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 2024	For the year ended 31 March 2023
Less than 1 year	816.47	585.27
1 to 5 years	3,498.33	2,551.71
Over 5 years	10,315.78	7,284.07

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 Board of Directors. 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.

2.34 PROFESSIONAL AND CONSULTANCY EXPENSES INCLUDES AUDITORS' REMUNERATION (EXCLUDING GST)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
As an auditor		
- Statutory audit fees	3.10	5.00
- Limited review	2.40	1.50
- Reimbursement of expenses	0.83	0.35
Total	**6.33**	**6.85**

2.35 EARNINGS PER EQUITY SHARE :

The earnings per share has been computed as under:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit attributable to equity shareholders (A)	**2,148.91**	**2,058.93**
Shares:		
Number of equity shares at the beginning of the year	101,501,687	94,053,928
Add: Fresh issue	-	5,167,679
Add: Preference shares converted	-	2,280,080
Total number of equity shares outstanding at the end of the year	101,501,687	101,501,687
Weighted average number of equity shares outstanding during the year – Basic	**101,501,687**	**100,949,524**
Number of equity shares at the end of year (B)	**101,501,687**	**100,949,524**

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Effect of potential equity shares on employee stock options outstanding (C)	254,641	-
Weighted average number of equity shares outstanding during the year – Diluted (D = B+C)	**101,756,328**	**100,949,524**
Earnings per share		
Earnings per share of par value ₹ 10 - Basic (₹)	21.17	20.40
Earnings per share of par value ₹ 10 - Diluted (₹)	21.17	20.40

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 2024 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.

Particulars		As at 31 March 2024	As at 31 March 2023
(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	86.09	78.08
	- 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

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 2024	For the year ended 31 March 2023
Details of Corporate social responsibility expenditure				
(i)	Gross amount required to be spent by the Company during the year		35.23	24.33
(ii)	Amount approved by the Board to be spent during the year		35.23	24.33
(iii)	Amount spent during the year (in cash)			
	- construction/ acquisition of any asset		-	-
	- on purpose other than above		13.43	24.33
(iv)	Amount spent during the year (yet to be paid in cash)			
	- construction/ acquisition of any asset		-	-
	- on purpose other than above		21.80	-
(v)	(Shortfall) / Excess at the end of the year		-	-
(vi)	Total of previous years shortfall		-	-
(vii)	Details of related party transactions		NA	NA
(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 2024 and 31 March 2023 :		NA	NA
(x)	Nature of CSR activities:			
	a)	Promotion of education and sports	2.36	2.56
	b)	Rural development activities and training for women	10.00	7.50
	c)	Promotion of medical facilities and	1.00	12.27
	d)	Ensuring environmental sustainability	-	2.00
	e)	Administrative overheads	0.07	-
	d)	Transferred to unspent CSR account (on-going project)*	21.80	-

** Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules 2021 ("the Rules"), the Company has transferred the Unspent amount of ₹ 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 2024	For the year ended 31 March 2023
Employee benefit expenses (A)	**152.17**	**57.38**
Finance cost (B)	**31.46**	**-**
Depreciation and amortisation (C)	**19.08**	**31.53**
Professional fees to doctors (D)	**11.75**	**-**
Other expenses:		
Professional and consultancy	74.30	25.43
Travelling and conveyance	2.77	2.58
Power and fuel	4.70	-
Rates and taxes	38.20	-
Other expenses	23.53	2.25
Total (E)	**143.50**	**30.26**
Total (A+B+C+D+E)	**357.96**	**119.17**

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 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 Company's exposure to credit risk for trade and other receivables by category is as follows:

Particulars	Carrying amount	
	As at 31 March 2024	As at 31 March 2023
Insurance companies and Third-Party Administrator (TPA)	312.73	357.82
Central and state government (including public sector undertakings)	21.66	96.89
Corporates, individual customers and others	520.79	238.58
Total	**855.18**	**693.29**

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

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**

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(All amounts are in rupees millions, except share data and unless otherwise stated)

As at 31 March 2023

Age	Gross carrying amount	Weighted average loss rate	Allowance for expected credit loss
Less than 6 months	496.23	11.16%	55.38
6 months - 1 year	84.01	18.39%	15.45
1-2 years	37.19	100.00%	37.19
2-3 years	20.25	100.00%	20.25
More than 3 years	55.61	100.00%	55.61
	693.29		**183.88**

Movement in allowance for impairment in respect of trade receivables is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	183.88	141.66
(Reversal)/provision for expected credit loss	(28.42)	42.22
Bad debts written-off out of opening	(15.87)	-
Net remeasurement of provision	**139.59**	**183.88**

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 credit loss model and no impairment loss is anticipated. The Company's maximum exposure to credit risk as at 31 March 2024 and 31 March 2023 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 2024	As at 31 March 2023
Trade receivables	715.59	509.41
Cash and cash equivalents	74.85	117.91
Bank balances other than cash and cash equivalents	0.07	253.56
Investments	3,461.61	1,046.78
Other financial assets	2,045.25	5,129.69
Loans	332.51	437.53
Total	**6,629.88**	**7,494.88**

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

As at 31 March 2024

Age	Carrying Amount	Within 1 year	1-5 Years	More than five years	Total amount
Trade payables	763.39	763.39	-	-	763.39
Other financial liabilities	324.49	324.49	-	-	324.49
Lease liabilities (undiscounted)	7,347.00	816.47	3,498.33	10,315.78	14,630.59
Total	**8,434.88**	**1,904.35**	**3,498.33**	**10,315.78**	**15,718.47**

As at 31 March 2023

Age	Carrying Amount	Within 1 year	1-5 Years	More than five years	Total amount
Trade payables	749.69	749.69	-	-	749.69
Other financial liabilities	328.94	328.94	-	-	328.94
Lease liabilities (undiscounted)	5,382.90	585.27	2,551.71	7,284.07	10,421.05
Total	**6,461.53**	**1,663.90**	**2,551.71**	**7,284.07**	**11,499.68**

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.

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 2024	As at 31 March 2023
Fixed rate instruments (excluding interest accrued)		
Financial assets	1,929.03	5,354.32
Financial liabilities	7,347.00	5,382.90

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 Europe (EUR) and 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.

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 2024	
		Amount in foreign currency (in whole no's)	Amount in ₹
Trade payables	USD	108,847	9.04

Particulars	Currency	As at 31 March 2023	
		Amount in foreign currency (in whole no's)	Amount in ₹
Trade payables	USD	126,617	10.45
Trade payables	EUR	1,000	0.09

Sensitivity analysis:

A reasonably possible strengthening / (weakening) of the INR, against USD and EUR 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 2024				
USD (5% movement)	0.45	(0.45)	0.34	(0.34)
31 March 2023				
USD (5% movement)	0.52	(0.52)	0.39	(0.39)
EUR (5% movement)	0.00	(0.00)	0.00	(0.00)

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 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 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 2024	As at 31 March 2023
Total debt	-	-
Total equity	12,852.51	10,883.88
Gearing ratio	**-**	**-**

Notes to the Standalone Financial Statements

(All amounts are in 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 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	Total carrying amount			
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	-	-	332.51	-	332.51	-	-	-
Other financial assets	2.3 (a) & 2.3 (b)	-	-	2,045.25	-	2,045.25	-	-	-
		-	**-**	**3,168.27**	**-**	**3,168.27**	**-**	**-**	**-**
Financial liabilities at amortised cost									
Trade payables	2.15	-	-	-	763.39	763.39	-	-	-
Other financial liabilities	2.16	-	-	-	324.49	324.49	-	-	-
		-	**-**	**-**	**1,087.88**	**1,087.88**	**-**	**-**	**-**

** 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

(All amounts are in 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 2023

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	Total carrying amount			
Financial assets measured at fair value									
Investments in equity instruments *	2.2	-	0.03	-	-	0.03	-	-	0.03
Investments in mutual funds	2.7	581.33	-	-	-	581.33	581.33	-	-
		581.33	**0.03**	**-**	**-**	**581.36**	**581.33**	**-**	**0.03**
Financial assets at amortised cost									
Trade receivables	2.8	-	-	509.41	-	509.41	-	-	-
Cash and cash equivalents	2.9 (a)	-	-	117.91	-	117.91	-	-	-
Bank balances other than cash and cash equivalents	2.9 (b)	-	-	253.56	-	253.56	-	-	-
Loans	2.10	-	-	437.53	-	437.53	-	-	-
Other financial assets	2.3 (a) & 2.3 (b)	-	-	5,129.69	-	5,129.69	-	-	-
		-	**-**	**6,448.10**	**-**	**6,448.10**	**-**	**-**	**-**
Financial liabilities at amortised cost									
Trade payables	2.15	-	-	-	749.69	749.69	-	-	-
Other financial liabilities	2.16	-	-	-	328.94	328.94	-	-	-
		-	**-**	**-**	**1,078.63**	**1,078.63**	**-**	**-**	**-**

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 2024 and 31 March 2023.

** 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

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 2024	For the year ended 31 March 2023
Income from medical and healthcare services		
Revenue from hospital services	10,710.49	9,655.51
Revenue from pharmacy sales	1,299.05	1,138.56
Revenue from medical service fee	253.05	225.41
Total revenue from contracts with customers	**12,262.59**	**11,019.48**

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 2024 and 31 March 2023.

Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contracted price	12,330.29	11,103.01
Reduction towards variable consideration components*		
-Discounts	(55.26)	(65.52)
-Disallowances	(12.44)	(18.01)
Revenue recognised	**12,262.59**	**11,019.48**

Variable consideration components include discounts and disallowances on the contract price.

Contract balances

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables**	770.56	622.22
Unbilled revenue	84.62	71.07
Contract liabilities (advance from patients)#	33.72	28.59

Movement in contract liabilities during the year:

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	28.59	83.26
Less: Revenue recognised from above	(28.59)	(83.26)
Add: Addition during the year	33.72	28.59
Balance at the end of the year	**33.72**	**28.59**

***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 and is pending for 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.

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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. 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.

2.44 RATIOS AS PER THE SCHEDULE III REQUIREMENTS

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	31 March 2024	31 March 2023
Current Assets	5,942.97	4,663.10
Current Liabilities	1,385.11	1,290.64
Ratio	4.29	3.61
% Change from previous year	**18.84%**	

Reason for change more than 25%: Not applicable

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 2024	31 March 2023
Total debt	-	-
Shareholder's Equity	12,852.51	10,883.88
Ratio	-	-
% Change from previous year	**-**	**-**

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 2024	31 March 2023
Net Profit after taxes	2,148.91	2,058.93
Add: Non cash operating expenses and finance cost	**1,612.17**	**1,357.97**
- Depreciation and amortisation	1,051.51	837.08
- Finance cost	560.66	520.89
Earnings available for debt service	**3,761.08**	**3,416.90**
Interest cost on borrowings	-	7.29
Payment of lease liabilities	680.24	551.46
Principal repayments of borrowings	-	398.11
Total Interest and principal repayments	**680.24**	**956.86**
Ratio	**5.53**	**3.57**
% Change from previous year	**54.90%**	

Reason for change more than 25%:

This ratio has increased from 3.57 in March 2023 to 5.53 in March 2024 mainly due to nil borrowings and increase in earnings available for debt services on account of increase in net profit after tax during the year.

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

d) **Return on Equity Ratio / Return on Investment Ratio = Net profit after taxes by average shareholder's equity**

Particulars	31 March 2024	31 March 2023
Net profit after taxes	2,148.91	2,058.93
Earning available to equity shareholders	**2,148.91**	**2,058.93**
Average Shareholder's Equity	11,868.20	8,623.41
Ratio	**18.11%**	**23.88%**
% Change from previous year	**(24.16%)**	

Reason for change more than 25%: Not applicable

e) **Inventory Turnover Ratio = Cost of goods sold divided by average inventory**

Particulars	31 March 2024	31 March 2023
Cost of materials consumed	1,571.27	1,501.22
Average Inventory	201.30	157.78
Inventory Turnover Ratio	**7.81**	**9.51**
% Change from previous year	**-17.88%**	

Reason for change more than 25%: Not applicable

f) **Trade Receivables turnover ratio = Revenue from operations divided by Average Trade Receivables**

Particulars	31 March 2024	31 March 2023
Revenue from operations	12,365.62	11,139.90
Average Trade Receivables	612.50	495.55
Ratio	20.19	22.48
% Change from previous year	**-10.19%**	

Reason for change more than 25%: Not applicable

g) **Trade payables turnover ratio = Purchases divided by Average Trade Payables**

Particulars	31 March 2024	31 March 2023
Purchases	1,620.39	1,539.15
Average Trade Payables	756.54	697.17
Ratio	2.14	2.21
% Change from previous year	**(3.17%)**	

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 2024	31 March 2023
Revenue from operations	12,365.62	11,139.90
Working Capital	4,557.86	3,372.46
Ratio	2.71	3.30
% Change from previous year	**(17.88%)**	

Reason for change more than 25%: Not applicable

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

i) Net profit ratio = Net profit after taxes divided by Revenue from operations

Particulars	31 March 2024	31 March 2023
Net profit after taxes	2,148.91	2,058.93
Revenue from operations	12,365.62	11,139.90
Ratio	17.38%	18.48%
% Change from previous year	**(5.95%)**	

Reason for change more than 25%: Not Applicable

j) Return on Capital employed (pre cash)=Earnings Before Interest and Taxes (EBIT) divided by Capital Employed (pre cash)

Particulars	31 March 2024	31 March 2023
Profit before taxes (A)	2,892.17	2,728.34
Finance costs (B)	560.66	520.89
Other income (C)	369.48	312.29
EBIT (D) = (A)+(B)-(C)	**3,083.35**	**2,936.94**
Capital Employed (Pre Cash) (J)=(E)-(F)-(G)-(H)-(I)	**15,255.33**	**12,446.40**
Total Assets (E)	21,504.36	17,534.17
Current Liabilities (F)	1,385.11	1,290.64
Current Investments (G)	2,996.16	581.33
Cash and Cash equivalents (H)	74.85	117.91
Current portion of fixed deposits and accrued interest with banks (I)	1,792.91	3,097.89
Ratio (D)/(J)	**20.21%**	**23.60%**
% Change from previous year	**-14.36%**	

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 2024	31 March 2023
Dividend income from subsidiary	14.19	-
Gain on redemption of mutual funds, net	73.55	3.52
Net gain on financial assets measured at fair value through profit or loss	58.85	5.43
Interest income on bank deposits	151.75	240.46
Income generated from invested funds (A)	**298.34**	**249.41**
Average Invested Funds (B)	5,636.64	3,881.48
Ratio (A)/(B)	**5.29%**	**6.43%**
% Change from previous year	**(17.63%)**	

Reason for change more than 25%: Not Applicable

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.

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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.

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.

Movement in the stock units under the Plan	No. of stock units	
	As at 31 March 2024	As at 31 March 2023
Stock units outstanding at the beginning of the year	-	-
Stock units granted during the year	312,414	-
Stock units exercised during the year	-	-
Stock units exercisable at the end of the year	**312,414**	**-**

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:

Particulars	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

2.46 SUBSEQUENT EVENTS

There are no significant adjusting events that occurred subsequent to the balance sheet date.

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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.

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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.

The Company has 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 has been adjusted with securities premium as per 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 2024 * (B)	Amount to be spent as per offer document for the year 2024-25 (C)	Utilisation up to 31 March 2024 (D)	Unspent balance for the year 2023-24 (E) = (B) - (D)	Reasons for delay in utilisation of IPO Proceeds
Early redemption of NCDs issued by our Company to CDC Emerging Markets Limited, in full	400.00	400.00	-	400.00	-	NA
Capital expenditure towards setting up of new hospitals and purchase of medical equipment for such new hospitals	1,700.00	1,500.00	200.00	1,325.07	174.93	Delay in execution of few projects.
General corporate purposes *	561.40	576.10	-	576.10	-	NA
Total	**2,661.40**	**2,476.10**	**200.00**	**2,301.17**	**174.93**	

** During the 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 Board of Directors of the Company in their meeting held on 30 October 2023 has 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.*

Net IPO proceeds which were unutilised as at 31 March 2024 amounting to ₹ 374.93 million (column C and E) were temporarily invested in fixed deposits and held in current account with banks.

Notes to the Standalone Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.49 The Company has used accounting software for maintaining its books of account 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 except that audit trail feature is not enabled for certain changes made, if any, using privilege/administrative access rights to the SAP application. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software where audit trail has been enabled.

As per our report of even date attached.

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Atin Bhargava
Partner
Membership Number.: 504777

Place: Hyderabad
Date: 19 May 2024

For and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
(formerly known as 'Rainbow Children's Medicare Private Limited')
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Dr. Dinesh Kumar Chirla
Director
DIN: 01395841

Vikas Maheshwari
Chief Financial Officer

Ashish Kapil
Company Secretary
Membership Number: A31782

Place: Hyderabad
Date: 19 May 2024

Place: Hyderabad
Date: 19 May 2024

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 accompanying 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 2024, 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, 2024, their consolidated profit/loss 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, 2024. 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.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Impairment of loan receivable (as described in Note 2.10 of the consolidated financial statements)</td></tr>
<tr><td>In the earlier years, the Group has given an unsecured loan to an external party (Madhukar Rainbow Children's Hospital). As at March 31, 2024 the loan outstanding balance is ₹ 330.42 million (including Interest accrued of ₹ 126.95 million).

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.

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.</td><td>In view of the significance of the matter, we performed the following procedures:
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 loans repaid 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 31 March 2024 from the external party.
4. Assessed the net worth of the external party on the basis of latest available financial statements.
5. 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.
6. Verified the classification and disclosures of the loans in accordance with Schedule III of the Act and Ind-AS.</td></tr>
</table>

OTHER INFORMATION

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information 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 company(ies)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, 2024 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 MATTER

(a) We did not audit the financial statements and other financial information, in respect of 6 subsidiaries, whose financial statements include total assets of Rs 700.29 million as at March 31, 2024, and total revenues of Rs 628.67 million and net cash inflows of Rs 4.98 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 reports of such other auditors.

(b) The consolidated financial statements of the Company for the year ended March 31, 2023, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 14, 2023.

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 atter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) 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, 2024 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, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) 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;

(g) 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, 2024 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;

(h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g).

(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, 2024;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2024.

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, other than as disclosed in the note 2.48 to the consolidated financial statements, 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, other than as disclosed in the note 2.48 to the consolidated financial statements, 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, its subsidiary companies incorporated in India 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 respective companies 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 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 except that, audit trail feature is not enabled for certain changes made, if any, using privilege/ administrative access rights as described in note 2.50 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 accounting software where audit trail has been enabled.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

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per Atin Bhargava
Partner
Membership Number: 504777
UDIN: 24504777BKDHLA9154

Place of Signature: Hyderabad
Date: May 19, 2024

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) The following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

S.No	Name	CIN	Holding company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Rosewalk Healthcare Private Limited	U74900TG2015PTC139548	Subsidiary Company	Clause (xvii)

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

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per Atin Bhargava
Partner
Membership Number: 504777
UDIN: 24504777BKDHLA9154

Place of Signature: Hyderabad
Date: May 19, 2024

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, 2024, 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 31,2024, 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

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per Atin Bhargava
Partner
Membership Number: 504777
UDIN: 24504777BKDHLA9154

Place of Signature: Hyderabad
Date: May 19, 2024

Consolidated Balance Sheet

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
a. Property, plant and equipment	2.1(a)	6,387.07	4,836.14
b. Capital work-in-progress	2.1(a)	138.07	208.83
c. Right-of-use of assets	2.32	6,101.79	4,441.23
d. Other intangible assets	2.1(b)	40.92	33.74
e. Intangible assets under development	2.1(b)	60.92	19.08
f. Financial assets			
(i) Investments	2.2	0.03	0.03
(ii) Loans	2.10	330.42	437.53
(iii) Other financial assets	2.3 (a)	266.34	2,343.56
g. Deferred tax assets (net)	2.27(d)	260.33	259.57
h. Non-current tax assets (net)	2.4	165.96	55.01
i. Other non-current assets	2.5	1,735.86	293.70
Total non-current assets		**15,487.71**	**12,928.42**
Current assets			
a. Inventories	2.6	239.78	187.60
b. Financial assets			
(i) Investments	2.7	3,075.00	581.33
(ii) Trade receivables	2.8	704.42	511.95
(iii) Cash and cash equivalents	2.9 (a)	101.19	169.65
(iv) Bank balances other than (iii) above	2.9 (b)	0.07	300.95
(v) Other financial assets	2.3 (b)	1,950.00	2,874.33
c. Other current assets	2.11	145.81	152.99
Total current assets		**6,216.27**	**4,778.80**
TOTAL ASSETS		**21,703.98**	**17,707.22**
EQUITY AND LIABILITIES			
EQUITY			
a. Equity share capital	2.12	1,015.02	1,015.02
b. Other equity	2.13	11,574.25	9,584.08
Equity attributable to owners of the Company		**12,589.27**	**10,599.10**
Non-controlling interest		59.93	50.06
TOTAL EQUITY		**12,649.20**	**10,649.16**
LIABILITIES			
Non-current liabilities			
a. Financial liabilities			
(i) Lease liabilities	2.32	7,483.31	5,598.57
b. Provisions	2.14	76.94	70.81
Total non-current liabilities		**7,560.25**	**5,669.38**
Current liabilities			
a. Financial liabilities			
(i) Lease liabilities	2.32	169.75	104.65
(ii) Trade payables	2.15		
a) Total outstanding dues to micro enterprises and small enterprises		94.19	84.58
b) Total outstanding dues to creditor other than micro enterprises and small enterprises		720.78	704.46
(iv) Other financial liabilities	2.16	331.34	337.28
b. Other current liabilities	2.19	123.28	109.44
c. Provisions	2.17	29.91	18.19
d. Current tax liabilities (net)	2.18	25.28	30.08
Total current liabilities		**1,494.53**	**1,388.68**
TOTAL EQUITY AND LIABILITIES		**21,703.98**	**17,707.22**
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

For and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
(formerly known as 'Rainbow Children's Medicare Private Limited')
CIN: L85110TG1998PLC029914

Atin Bhargava
Partner
Membership Number.: 504777

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Dr. Dinesh Kumar Chirla
Director
DIN: 01395841

Vikas Maheshwari
Chief Financial Officer

Ashish Kapil
Company Secretary
Membership Number: A31782

Place: Hyderabad
Date: 19 May 2024

Place: Hyderabad
Date: 19 May 2024

Place: Hyderabad
Date: 19 May 2024

Consolidated Statement of Profit and Loss

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
INCOME			
Revenue from operations	2.20	12,969.00	11,735.74
Other income	2.21	370.64	308.65
Total income		**13,339.64**	**12,044.39**
EXPENSES			
Cost of materials consumed	2.22	1,652.80	1,582.78
Employee benefits expense	2.23	1,761.70	1,440.61
Finance costs	2.24	590.54	551.95
Depreciation and amortisation expense	2.25	1,120.82	902.68
Professional fees to doctors	2.26 (i)	3,053.66	2,723.05
Other expenses	2.26 (ii)	2,211.99	2,025.53
Total expenses		**10,391.51**	**9,226.60**
Profit before tax		**2,948.13**	**2,817.79**
Tax expenses:	2.27		
(a) Current tax		770.39	840.82
(b) Deferred tax credit		(5.13)	(146.80)
Total tax expense		**765.26**	**694.02**
Profit for the year		**2,182.87**	**2,123.77**
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 (C)(ii)	17.70	5.58
Income tax effect	2.27 (d)(ii)	(4.36)	(1.24)
Other comprehensive income for the year, net of tax		**13.34**	**4.34**
Total Comprehensive Income for the year		**2,196.21**	**2,128.11**
Profit for the year attributable to:			
Owners of the Company		2,170.01	2,108.34
Non-controlling interests		12.86	15.43
Other comprehensive income for the year attributable to:			
Owners of the Company		13.33	4.32
Non-controlling interests		0.01	0.02
Total comprehensive income for the year attributable to:			
Owners of the Company		2,183.34	2,112.66
Non-controlling interests		12.87	15.45
Earning per share (face value of share ₹10 each, fully paid)	2.35		
- Basic (₹)		21.38	20.89
- Diluted (₹)		21.38	20.89
Weighted average number of equity shares used in computing Earning per share	2.35		
- Basic		101,501,687	100,949,524
- Diluted		101,756,328	100,949,524
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

For and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
(formerly known as 'Rainbow Children's Medicare Private Limited')
CIN: L85110TG1998PLC029914

Atin Bhargava
Partner
Membership Number.: 504777

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Dr. Dinesh Kumar Chirla
Director
DIN: 01395841

Vikas Maheshwari
Chief Financial Officer

Ashish Kapil
Company Secretary
Membership Number: A31782

Place: Hyderabad
Date: 19 May 2024

Place: Hyderabad
Date: 19 May 2024

Place: Hyderabad
Date: 19 May 2024

Consolidated Statement of Cash Flows

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flows from operating activities		
Profit before tax	**2,948.13**	**2,817.79**
Adjustments:		
Depreciation and amortisation expense	1,120.82	902.68
Gain on redemption of mutual funds	(75.40)	(3.52)
Unrealised foreign exchange loss, net	0.23	1.36
Net gain on financial assets measured at fair value through profit or loss	(58.85)	(5.43)
Interest income on financial assets carried at amortised cost	(204.28)	(297.99)
Finance costs	590.54	551.95
Goodwill written off	-	29.87
Employee stock option cost	54.30	-
Advances written off	3.57	9.11
Allowances for doubtful advances	-	2.97
(Reversal) / Allowance for expected credit loss	(28.42)	40.62
Bad debts written off	0.66	9.66
Net gain on sale of property, plant and equipment	(1.27)	(0.36)
Liabilities no longer required written back	(2.22)	(0.76)
	4,347.80	**4,057.95**
Adjustments for working capital:		
Increase in inventories	(52.18)	(39.37)
Increase in trade receivables	(164.71)	(158.16)
(Increase) / decrease in financial and other assets	(57.12)	107.54
Increase in trade payables	26.93	144.20
Decrease in financial liabilities and provisions	(0.57)	(15.69)
Cash generated from operations	**4,100.15**	**4,096.47**
Income tax paid	(886.14)	(808.65)
Net cash from operating activities (A)	**3,214.01**	**3,287.82**
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	(3,535.76)	(1,412.96)
Proceeds from sale of property, plant and equipment	1.27	1.53
Bank deposits redeemed / (placed) with maturity of more than three months, net	3,263.74	(3,142.50)
Interest received	231.01	160.82
Gain on redemption of mutual funds, net	75.40	3.52
Investment in mutual funds	(8,688.64)	(1,174.94)
Redemption of mutual funds	6,253.82	820.02
Loans realised	134.50	92.50
Net cash used in investing activities (B)	**(2,264.66)**	**(4,652.01)**
Cash flows from financing activities		
Repayment of long-term borrowings	-	(398.11)
Principal payment of lease liabilities	(724.99)	(594.25)
Finance cost	-	(32.06)
Dividend paid	(307.52)	(202.93)
Proceeds from issue of share capital	-	2,800.00
Share issue expenses refund/(paid)	14.70	(138.60)
Net cash (used in) / from financing activities (C)	**(1,017.81)**	**1,434.05**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(68.46)	69.86
Cash and cash equivalents at the beginning of the year	169.65	99.79
Cash and cash equivalents at the end of the year (note b)	**101.19**	**169.65**

Consolidated Statement of Cash Flows (Contd..)

(All amounts are in 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))

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	7.92	5.40
Balance with banks:		
- Current accounts	93.27	108.29
- On deposit accounts (with original maturity of 3 months or less)	-	55.96
	101.19	**169.65**

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:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance:		
Borrowings	-	398.11
Interest accrued on borrowings	-	18.53
Lease liabilities	5,703.22	5,392.43
Movement:		
Borrowings:		
Repayment of borrowings	-	(398.11)
Interest expense	-	13.53
Interest repayment	-	(32.06)
Lease liabilities		
Finance cost on lease liabilities (including capitalisation)	622.01	538.42
Addition to lease liabilities, net	2,012.02	264.48
Lease modification	40.80	102.14
Payment of lease liabilities	(724.99)	(594.25)
Closing balance		
Lease liabilities	7,653.06	5,703.22

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

For and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
(formerly known as 'Rainbow Children's Medicare Private Limited')
CIN: L85110TG1998PLC029914

Atin Bhargava
Partner
Membership Number.: 504777

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Dr. Dinesh Kumar Chirla
Director
DIN: 01395841

Vikas Maheshwari
Chief Financial Officer

Ashish Kapil
Company Secretary
Membership Number: A31782

Place: Hyderabad
Date: 19 May 2024

Place: Hyderabad
Date: 19 May 2024

Place: Hyderabad
Date: 19 May 2024

Consolidated Statement of Changes in Equity

(All amounts are in 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 2022	**94,053,928**	**940.54**
Add: Shares issued during the year	5,167,679	51.68
Add: Converted during the year	2,280,080	22.80
As at 01 April 2023	**101,501,687**	**1,015.02**
Add: Shares issued during the year	-	-
Add: Converted during the year	-	-
As at 31 March 2024	**101,501,687**	**1,015.02**
Series A CCPS of ₹ 48 each issued, subscribed and fully paid-up		
As at 01 April 2022	**1,146,771**	**55.05**
Add: Shares issued during the year	-	-
Less: Converted during the year	(1,146,771)	(55.05)
As at 01 April 2023	**-**	**-**
Add: Shares issued during the year	-	-
Less: Converted during the year	-	-
As at 31 March 2024	**-**	**-**
Series B CCPS of ₹ 48 each issued, subscribed and fully paid-up		
As at 01 April 2022	**1,133,309**	**54.40**
Add: Shares issued during the year	-	-
Less: Converted during the year	(1,133,309)	(54.40)
As at 01 April 2023	**-**	**-**
Add: Shares issued during the year	-	-
Less: Converted during the year	-	-
As at 31 March 2024	**-**	**-**

(B) OTHER EQUITY

Particulars	Other equity							
	Reserves and surplus					Equity attributable to shareholders of the Company	Non-Controlling Interest	Total Equity
	Securities premium	General reserve	Debenture redemption reserve	Capital reserve	Retained earning			
Balance as at 1 April 2022	1,275.89	43.89	40.00	8.95	3,609.32	4,978.05	34.61	5,012.66
Shares issued during the year	2,834.97	-	-	-	-	2,834.97	-	2,834.97
Profit for the year	-	-	-	-	2,108.34	2,108.34	15.43	2,123.77
Amount transferred from debenture redemption reserve	-	-	-	-	40.00	40.00	-	40.00
Appropriations:								
Amount transferred /utilised	-	-	(40.00)	-	-	(40.00)	-	(40.00)
Unpaid dividend	-	-	-	-	(0.07)	(0.07)	-	(0.07)
Share issue expenses	(138.60)	-	-	-	-	(138.60)	-	(138.60)
Final dividend on equity shares for the year ended 31 March 2022.i.e. ₹ 2 per share	-	-	-	-	(202.93)	(202.93)	-	(202.93)
Remeasurement of defined benefit liability, net of tax effect	-	-	-	-	4.32	4.32	0.02	4.34
Balance as at 31 March 2023	**3,972.26**	**43.89**	**-**	**8.95**	**5,558.98**	**9,584.08**	**50.06**	**9,634.14**

Consolidated Statement of Changes in Equity (Contd..)

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 1 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 : 2.47)	-	-	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**	**11,574.25**	**59.93**	**11,634.18**

**During the 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.

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Atin Bhargava
Partner
Membership Number.: 504777

Place: Hyderabad
Date: 19 May 2024

For and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
(formerly known as 'Rainbow Children's Medicare Private Limited')
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Dr. Dinesh Kumar Chirla
Director
DIN: 01395841

Vikas Maheshwari
Chief Financial Officer

Ashish Kapil
Company Secretary
Membership Number: A31782

Place: Hyderabad
Date: 19 May 2024

Place: Hyderabad
Date: 19 May 2024

Notes to the Consolidated Financial Statements

(All amounts are in 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) and its subsidiaries (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 19 May 2024.

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.

(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 Rs.), 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 2023.

(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

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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(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 31 March 2024	As at 31 March 2023
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%

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. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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.

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 2024.

(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:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

- 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 and losses, including any interest or dividend income, are recognised in profit or loss.

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 sheet when, and only when, the Group

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(All amounts are in rupees millions, except share data and unless otherwise stated)

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.

The residual values, useful lives and methods of depreciation of property, plant and equipment

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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:

- 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 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.

Credit-impaired financial assets:

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt

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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

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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 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:

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

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.

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.

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;

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- 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.

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.

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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 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

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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.

t. Recent accounting pronouncements

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 01 April 2023.

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, to amend the following Ind AS which are effective from 01 April 2023:

1. Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

There is no material impact on the Group's financial statements due to these amendments.

2. Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

There is no material impact on the Group's financial statements due to these amendments.

3. Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

There is no material impact on the Group's financial statements due to these amendments.

u. 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.

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2.1 (a) PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	Freehold land (refer note (i) below)	Buildings (refer note (i) below)	Leasehold improvements (refer note (ii) below)	Medical equipments (refer note (ii) below)	Plant and equipments	Furniture and fixtures	Office equipments	Vehicles	Computers	Total	Capital work-in-progress
Cost or deemed cost											
As at 1 April 2022	33.06	398.11	2,696.20	1,526.61	760.66	443.59	200.56	154.41	110.41	6,323.61	45.97
Additions	-	1.00	544.04	300.97	159.64	79.48	48.63	36.20	38.53	1,208.51	1,371.37
Disposals*	-	-	-	-	(1.80)	(0.27)	(0.20)	(4.86)	(0.06)	(7.19)	(1,208.51)
As at 31 March 2023 (A)	**33.06**	**399.11**	**3,240.24**	**1,827.58**	**918.50**	**522.80**	**248.99**	**185.75**	**148.88**	**7,524.92**	**208.83**
As at 1 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	2,251.71	2,180.95
Disposals*	-	-	-	-	-	-	-	(3.34)	-	(3.34)	(2,251.71)
As at 31 March 2024 (B)	**38.47**	**400.65**	**4,315.33**	**2,311.55**	**1,225.66**	**671.53**	**367.82**	**207.50**	**234.75**	**9,773.27**	**138.07**
Accumulated depreciation:											
As at 1 April 2022	-	8.52	624.48	805.35	203.37	197.67	140.91	71.39	84.99	2,136.68	-
Depreciation	-	6.61	160.59	207.90	57.67	48.64	30.14	27.19	19.39	558.12	-
Disposals	-	-	-	-	(0.91)	(0.14)	(0.20)	(4.71)	(0.06)	(6.02)	-
As at 31 March 2023 (C)	**-**	**15.13**	**785.07**	**1,013.25**	**260.13**	**246.17**	**170.85**	**93.87**	**104.32**	**2,688.78**	**-**
As at 1 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 (D)	**-**	**21.77**	**989.39**	**1,254.83**	**328.77**	**309.40**	**220.18**	**122.65**	**139.21**	**3,386.20**	**-**
Net carrying amount											
As at 31 March 2023 (A-C)	33.06	383.98	2,455.17	814.33	658.37	276.63	78.14	91.88	44.56	4,836.14	208.83
As at 31 March 2024 (B-D)	38.47	378.88	3,325.94	1,056.72	896.89	362.13	147.64	84.85	95.54	6,387.07	138.07

** Disposals with respect to capital-work-in progress represents property, plant and equipment capitalisations.*

Note:

(i) 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 1 April 2019. As at 31 March 2024, leasehold improvements and medical equipments include ₹98.74 million and ₹ 36.83 million (31 March 2023: ₹106.03 million and ₹ 55.17 million) respectively in respect of this hospital. The Management is utilising the assets for the purpose of providing medical services at MMHRC.

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

(ii) Refer note 2.38 for details of incidental expenditure capitalised during the construction year.

(iii) 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.

(iv) On transition to Ind AS, the Group has elected to continue with the net carrying value of all Property, plant and equipment measured as per the previous GAAP and use that net carrying value as the deemed cost of Property, plant and equipment.

Capital work-in-progress (CWIP) ageing schedule:

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	-	-	-	-	-

As at 31 March 2023

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	205.38	2.88	0.57	-	208.83
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 2024 and 31 March 2023.

2.1 (b) Other intangible assets, Goodwill and Intangible assets under development

Particulars	Goodwill	Other Intangible assets Software	Intangible assets under development
Cost or deemed cost			
As at 1 April 2022	29.87	102.78	11.59
Additions	-	29.26	36.75
Disposals *	-	-	(29.26)
Adjustment - written off	(29.87)	-	-
As at 31 March 2023 (A)	**-**	**132.04**	**19.08**
As at 1 April 2023	-	132.04	19.08
Additions	-	20.59	62.43
Disposals *	-	-	(20.59)
Adjustment - written off	-	-	-
As at 31 March 2024 (B)	**-**	**152.63**	**60.92**
Accumulated amortisation			
As at 1 April 2022	-	89.09	-
Amortisation	-	9.21	-
Disposals	-	-	-
As at 31 March 2023 (C)	**-**	**98.30**	**-**
As at 1 April 2023	-	98.30	-
Amortisation	-	13.41	-
Disposals	-	-	-
As at 31 March 2024 (D)	**-**	**111.71**	**-**
Net carrying amount			
As at 31 March 2023 (A-C)	-	33.74	19.08
As at 31 March 2024 (B-D)	-	40.92	60.92

** Disposals with respect to intangible assets under development represents intangible assets capitalisations.*

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Intangible assets under development ageing schedule:

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	-	-	-	-	-

As at 31 March 2023

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	18.80	0.28	-	-	19.08
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 2024 and 31 March 2023.

2.2 NON-CURRENT INVESTMENTS

(Valued at cost unless stated otherwise)

Particulars	As at 31 March 2024	As at 31 March 2023
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 2023: 2,600 shares)	0.03	0.03
	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 2024 is ₹ 0.03 million (31 March 2023: ₹ 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 2024	As at 31 March 2023
Bank deposits with remaining maturity more than 12 months	30.48	2,081.22
Interest accrued on deposits	2.32	74.24
Security deposits	233.54	188.10
	266.34	**2,343.56**

The Group's exposure to credit and market risk are disclosed in Note 2.39.

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.3 (b) Other financial assets (current) (at amortised cost)

(Unsecured, considered good)

Particulars	As at 31 March 2024	As at 31 March 2023
Bank deposits with remaining maturity less than 12 months	1,844.67	2,756.79
Interest accrued on deposits	105.33	87.54
Security deposits	-	30.00
	1,950.00	**2,874.33**

2.4 NON-CURRENT TAX ASSETS (NET)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance tax (net of provision for taxation) (refer note 2.27 (b))	165.96	55.01
	165.96	**55.01**

2.5 OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
(Unsecured, considered good)		
Capital advances		
- to other than related parties	1,701.16	272.09
Prepaid expenses	24.71	11.58
Amounts paid under protest	9.99	10.03
	1,735.86	**293.70**
Unsecured, considered doubtful		
Capital advances (credit impaired)	0.15	11.59
Less: Allowance for doubtful advances	(0.15)	(11.59)
	-	-
	1,735.86	**293.70**

2.6 INVENTORIES

(valued at the lower of cost or net realisable value)

Particulars	As at 31 March 2024	As at 31 March 2023
Medical consumables and pharmacy items	239.78	187.60
	239.78	**187.60**

2.7 CURRENT INVESTMENTS

Particulars	As at 31 March 2024	As at 31 March 2023
Investments at fair value through profit or loss		
Quoted:		
Investments in Mutual funds - quoted		
Aditya Birla Sunlife Banking & PSU Debt Fund - Growth - Direct Plan 891,229.77 Units (31 March 2023: Nil Units)	305.59	-
Aditya Birla Sunlife Liquid Fund - Growth - Direct Plan Nil Units (31 March 2023: 55,293.93 Units)	-	20.08

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
HDFC Liquid Fund - Growth - Direct Plan 31,696.61 Units (31 March 2023: 8.80 Units)	150.36	0.04
HDFC Large & Midcap Fund - Growth - Direct Plan 73,194.97 Units (31 March 2023: Nil Units)	21.91	-
HDFC Arbitrage Fund - Wholesale Plan - Growth - Direct Plan 4,290,612.05 Units (As at 31 March 2023: Nil units)	78.84	-
Bandhan Liquid Fund - Daily IDCW - Direct Plan Nil Units (31 March 2023: 0.10 Units)	-	0.00
Bandhan Liquid Fund - Growth Direct Plan 33,185.09 Units (31 March 2023: 42,770.67 Units)	96.81	116.27
UTI Money Market Fund - Growth - Direct Plan 130,817.03 Units (31 March 2023: Nil Units)	371.16	-
ICICI Prudential Large & Midcap Fund - Growth - Direct Plan 24,252.04 Units (31 March 2023: Nil Units)	22.22	-
ICICI Prudential Banking & PSU Debt Fund - Growth - Direct Plan 9,932,127.10 Units (31 March 2023: Nil Units)	305.70	-
ICICI Prudential All Seasons Bond Fund - Growth - Direct Plan 1,407,864.73 Units (31 March 2023: Nil Units)	50.22	-
ICICI Prudential Equity Arbitrage Fund - Growth - Direct Plan 10,692,747.42 Units (31 March 2023: Nil Units)	358.04	-
ICICI Liquid Fund - Growth - Direct Plan Nil Units (31 March 2023: 3,48,842.10 Units)	-	116.23
Sundaram Liquid Fund - Growth - Direct Plan Nil Units (31 March 2023: 56,004.61 Units)	-	111.33
Tata Money Market Fund - Growth - Direct Plan 22,126.04 Units (31 March 2023: Nil Units)	96.64	-
Tata Liquid Fund - Growth - Direct Plan Nil Units (31 March 2023: 32,715.36 Units)	-	116.19
Nippon India Liquid Fund - Growth - Direct Plan Nil Units (31 March 2023: 18,373.67 Units)	-	101.19
Parag Parikh Flexi Cap Fund - Growth - Direct Plan 259,223.76 Units (31 March 2023: Nil Units)	19.41	-
SBI Arbitrage Opportunities Fund - Growth - Direct Plan 8,818,633.98 Units (31 March 2023: Nil Units)	288.67	-
Kotak Banking & PSU Debt Fund - Growth - Direct Plan 4,989,380.42 Units (31 March 2023: Nil Units)	306.14	-
Kotak Corporate Bond Fund - Growth - Direct Plan 86,518.92 Units (31 March 2023: Nil Units)	305.86	-
Kotak Money Market Fund - Growth - Direct Plan 40,461.73 Units (31 March 2023: Nil Units)	166.80	-
Axis Liquid Fund - Growth - Direct Plan 48,676.37 Units (31 March 2023: Nil Units)	130.63	-
	3,075.00	**581.33**
Aggregate amount of quoted investments and market value thereof	3,075.00	581.33

The Group's exposure to credit risk and market risk related to investments has been disclosed in note 2.39.

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.8 TRADE RECEIVABLES

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables - unsecured, considered good (refer note (b) below)	754.65	629.73
Unbilled revenue - unsecured, considered good (refer note 2.42)	91.34	76.72
Total	**845.99**	**706.45**
Less: Allowance for expected credit loss	(141.57)	(194.50)
Net total trade receivables	**704.42**	**511.95**

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 42% (31 March 2023: 26%) 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) Refer note 2.31 for related party balances.

Trade Receivables ageing schedule:

As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled Revenue	Not due	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**

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment							
	Unbilled revenue	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Unbilled Revenue (Undisputed - considered good)	76.72	-	-	-	-	-	-	76.72
(ii) Undisputed Trade receivables – considered good	-	187.78	247.19	85.04	25.38	19.21	65.13	629.73
(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	**76.72**	**187.78**	**247.19**	**85.04**	**25.38**	**19.21**	**65.13**	**706.45**
Less: Allowance for expected credit loss								(194.50)
Net total trade receivables								**511.95**

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.

2.9 (a) Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	7.92	5.40
Balance with banks		
- On current accounts	93.27	108.29
- On deposit accounts (with original maturity of 3 months or less)	-	55.96
	101.19	**169.65**

(b) Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Deposit account (with original maturity more than 3 months but less than 12 months)	-	300.88
Unpaid dividend	0.07	0.07
	0.07	**300.95**

(a) The Group's exposure to credit risk and market risk are disclosed in note 2.39.

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

(b) Details of bank balances / deposits

Particulars	As at 31 March 2024	As at 31 March 2023
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	-	55.96
Bank deposits with original maturity more than 3 months but less than 12 months included under 'Bank balances other than cash and cash equivalents'	-	300.88
Bank deposits with original maturity more than 12 months and remaining maturity less than 12 months included under 'Other financial assets (current)'	1,844.67	2,756.79
Bank deposits with original maturity more than 12 months and remaining maturity more than 12 months included under 'Other financial assets (non-current)' *	30.48	2,081.22

**Includes Nil (31 March 2023: ₹ 139.93 million) towards margin money deposits against bank guarantees.*

2.10 LOANS (NON-CURRENT)

(Unsecured, considered good)

Particulars	As at 31 March 2024	As at 31 March 2023
Loans receivable**		
- considered good	203.47	337.98
	203.47	**337.98**
Interest accrued on - Loans receivable**	126.95	99.55
	330.42	**437.53**

*** Unsecured Loan was given to an external party (Madhukar Rainbow Children's Hospital) at an interest rate of 9.50% p.a. (31 March 2023: 9.50% p.a.). This loan was given towards the working capital requirements of the borrower.*

Subsequent to year end, 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

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	337.97	430.47
Given during the year	-	-
Repaid during the year	(134.50)	(92.50)
Closing balance	**203.47**	**337.97**

2.11 OTHER CURRENT ASSETS

(Unsecured, considered good)

Particulars	As at 31 March 2024	As at 31 March 2023
Advances to suppliers	98.92	94.81
Prepaid expenses	41.05	49.89
Advance to employees *	5.69	8.29
Balances with government authorities	0.15	-
	145.81	**152.99**

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

(Unsecured, considered doubtful)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance to suppliers (credit impaired)	3.42	0.49
Less: Allowance for doubtful advances	(3.42)	(0.49)
	-	-
	145.81	**152.99**

** Refer note 2.31(c) for advance to Key managerial personnel*

2.12 SHARE CAPITAL

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised		
150,000,000 (31 March 2023: 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		
101,501,687 (31 March 2023: 101,501,687) equity shares of ₹ 10 each, fully paid-up	1,015.02	1,015.02
	1,015.02	**1,015.02**

a) Reconciliation of equity and preference shares outstanding at the beginning and at the end of the year :

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
(i) Equity shares of ₹ 10 each, fully paid-up				
At the commencement of the year	101,501,687	1,015.02	94,053,928	940.54
Add: Shares issued during the year	-	-	5,167,679	51.68
Add: Converted during the year	-	-	2,280,080	22.80
At the end of the year	**101,501,687**	**1,015.02**	**101,501,687**	**1,015.02**
(ii) Series A CCPS of ₹ 48 each, fully paid-up				
At the commencement of the year	-	-	1,146,771	55.05
Add: Shares issued during the year	-	-	-	-
Less: Converted during the year	-	-	(1,146,771)	(55.05)
At the end of the year	**-**	**-**	**-**	**-**
(iii) Series B CCPS of ₹ 48 each, fully paid-up				
At the commencement of the year	-	-	1,133,309	54.40
Add: Shares issued during the year	-	-	-	-
Less: Converted during the year	-	-	(1,133,309)	(54.40)
At the end of the year	**-**	**-**	**-**	**-**

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

b) Rights, preferences and restrictions attached

i) Equity shares :

The Holding Company has a single class of equity shares of pface 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.

The Board of Directors of the Holding Company in their meeting held on 08 August 2022, approved the cancellation of unissued authorised share capital of (i) 1,146,771 0.0001% Series A Compulsorily Convertible Preference Shares of face value of ₹ 48 each and (ii) 1,133,309 0.0001% Series B Compulsorily Convertible Preference Shares of face value of ₹ 48 each and increased 10,944,384 Equity Shares of ₹ 10 each amounting to ₹ 109.44. The same is approved by the members of the Holding Company in their Annual General Meeting held on 15 September 2022.

ii) Series A CCPS:

On 13 August 2013, the Holding Company had allotted 1,146,771 Series A CCPS of ₹ 48 each, fully paid-up, vide agreement dated 02 August 2013 ('the agreement') entered with British International Investment plc (formerly known as CDC Group plc). As per the agreement, at the discretion of the Series A CCPS holders, each Series A CCPS is convertible into one equity share of ₹ 10 each, fully paid, at any time before the end of 18th year from the date of its allotment. In case the Series A CCPS holders do not opt for conversion, they shall be converted into 1,146,771 equity shares of ₹ 10 each, fully paid up at the end of 18th year from the date of its allotment.

The holder of this Series A CCPS are entitled to non-cumulative dividend of 0.0001%. However, in the event the Holding Company declares any dividend on equity shares, then in addition to payment of preference dividend, the holders of Series A CCPS shall also be entitled to receive such dividend in respect of the Series A CCPS as is equivalent to the extent to which the equity shares resulting from the conversion of the Series A CCPS would have been entitled to receive such dividend.

The holders of the Series A CCPS shall be entitled to voting rights to the same extent as if they were equity share holders in respect of the number of equity shares into which the Series A CCPS are convertible. In the event of liquidation, holder of Series A CCPS has a preferential right over equity shareholders to be repaid to the extent of capital paid-up. Any surplus amount shall be distributed among all the shareholders including the Series A CCPS holder in proportion to their shareholding.

The Board of Directors of the Holding Company in their meeting held on 04 April 2022, approved conversion of 1,146,771 0.0001% Series A Compulsorily Convertible Preference Shares of face value of ₹ 48 each into 1,146,771 Equity Shares of ₹ 10 each at a conversion ratio of 1:1, ranking pari passu with the existing Equity Shares of the Holding Company.

iii) Series B CCPS:

On 04 February 2016, the Holding Company had allotted 1,133,309 Series B CCPS of ₹ 48 each, fully paid up vide agreement dated 24 December 2015 ('the Series B agreement') entered with CDC India Opportunities Limited. As per the Series B agreement, at the discretion of the Series B CCPS holders, each Series B CCPS is convertible into one equity share of ₹ 10 each, fully paid-up, at any time before the end of 18th year from the date of its allotment. In case the Series B CCPS holders do not opt for conversion, they shall be converted into 1,133,309 equity shares of ₹ 10 each, fully paid-up at the end of 18th year from the date of its allotment.

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(All amounts are in rupees millions, except share data and unless otherwise stated)

The holder of this Series B CCPS are entitled to non cumulative dividend of 0.0001%. However, in the event the Holding Company declares any dividend on equity shares, then in addition to payment of preference dividend, the holders of Series B CCPS shall also be entitled to receive such dividend in respect of the Series B CCPS as is equivalent to the extent to which the equity shares resulting from the conversion of the Series B CCPS would have been entitled to receive such dividend.

The holders of the Series B CCPS shall be entitled to voting rights to the same extent as if they were equity share holders in respect of the number of equity shares into which the Series B CCPS are convertible. In the event of liquidation, holder of Series B CCPS has a preferential right over equity shareholders to be repaid to the extent of capital paid-up. Any surplus amount shall be distributed among all the shareholders including the Series B CCPS holder in proportion to their shareholding.

The Board of Directors of the Holding Company in their meeting held on 04 April 2022, approved conversion of 1,133,309 0.0001% Series B Compulsorily Convertible Preference Shares of face value of ₹ 48 each into 1,133,309 Equity Shares of ₹ 10 each, at a conversion ratio of 1:1, ranking pari passu with the existing Equity Shares of the Holding Company.

c) Particulars of shareholders holding more than 5% shares of a class of shares:

Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares	%	Number of shares	%
(i) Equity shares of ₹ 10 each, fully paid-up held by:				
- Dr. Ramesh Kancharla	31,494,654	31.03%	31,494,654	31.03%
- Dr. Dinesh Kumar Chirla	6,633,310	6.54%	6,633,310	6.54%
- Dr. Adarsh Kancharla	6,110,432	6.02%	6,110,432	6.02%
- Kancharla Family Trust	5,179,200	5.10%	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.

e) Shareholding of promoters (each class)

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%**	**-**

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

As at 31 March 2023

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	36,849,284	(5,354,630)	31,494,654	31.03%	14.53%
Dr Dinesh Kumar Chirla	8,560,000	(1,926,690)	6,633,310	6.54%	22.51%
Dr Adarsh Kancharla	7,555,452	(1,445,020)	6,110,432	6.02%	19.13%
Kancharla Family Trust	5,179,200	-	5,179,200	5.10%	-
Total	**58,143,936**	**(8,726,340)**	**49,417,596**	**48.69%**	**56.16%**

2.13 OTHER EQUITY

Promoter Name	Securities premium	General reserve	Debenture redemption reserve	Capital reserve	Retained earning	Total other equity
Balance as at 1 April 2022	1,275.89	43.89	40.00	8.95	3,609.32	4,978.05
Shares issued during the year	2,834.97	-	-	-	-	2,834.97
Profit for the year	-	-	-	-	2,108.34	2,108.34
Amount transferred from debenture redemption reserve	-	-	-	-	40.00	40.00
Appropriations:						
Amount transferred /utilised	-	-	(40.00)	-	-	(40.00)
Unpaid dividend	-	-	-	-	(0.07)	(0.07)
Share issue expenses	(138.60)	-	-	-	-	(138.60)
Final dividend on equity shares for the year ended 31 March 2022.i.e. ₹ 2 per share	-	-	-	-	(202.93)	(202.93)
Remeasurement of defined benefit liability, net of tax effect	-	-	-	-	4.32	4.32
Balance as at 31 March 2023	**3,972.26**	**43.89**	**-**	**8.95**	**5,558.98**	**9,584.08**

Promoter Name	Securities premium	General reserve	Share Options outstanding account	Capital reserve	Retained earning	Total other equity
Balance as at 1 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 : 2.47)	-	-	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**	**11,574.25**

** During the 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.*

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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.

Debenture redemption reserve

The Holding Company had issued non-convertible debentures. The Holding Company is required to create debenture redemption reserve out of the profits of the Holding Company available for payment of dividend to its shareholders.

Retained earnings

The amount that can be distributed by the Holding Company as dividends to its equity and preference shareholders.

Share options outstanding account

The share options outstading account is used to recognise the grant date fair value of options issued under 'Rainbow Children's Medicare Limited - Employee Stock Unit Plan 2023 (refer note : 2.47).

Dividend

Distribution made and proposed

Particulars	31 March 2024	31 March 2023
Dividends on equity shares declared and paid:		
Final dividend for the year ended 31 March 2023: ₹ 3 per share (31 March 2022: ₹ 2 per share)	304.51	203.00
	304.51	**203.00**
Proposed dividends on Equity shares:		
Proposed dividend for the year ended 31 March 2024: ₹ 3 per share (31 March 2023: ₹ 3 per share)	304.51	304.51
	304.51	**304.51**

The Board of Directors of the Holding Company, at its meeting held on 19 May 2024, have proposed a final dividend of ₹ 3 per Equity Share having face value of ₹10 each aggregating to ₹ 304.51 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.

Capital reserve

The Group has acquired a subsidiary through business combination resulting in bargain purchase.

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.14 PROVISIONS (NON-CURRENT)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
- Gratuity (refer note 2.30(b))	59.01	70.81
- Compensated absences	17.93	-
	76.94	**70.81**

2.15 TRADE PAYABLES

Particulars	As at 31 March 2024	As at 31 March 2023
- total outstanding dues to micro enterprises and small enterprises (MSME) (refer note 2.36)	94.19	84.58
- total outstanding dues to creditors other than micro enterprises and small enterprises	720.78	704.46
	814.97	**789.04**

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 2024

Particulars	Outstanding for following periods due date of payment					
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
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	31.15	503.57	6.73	3.55	720.78
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**175.79**	**123.57**	**505.13**	**6.92**	**3.57**	**814.97**

As at 31 March 2023

Particulars	Outstanding for following periods due date of payment					
	Current but not due	Less than - 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Total outstanding dues of micro enterprises and small enterprises (refer note 2.36)	-	84.58	-	-	-	84.58
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	129.66	563.57	9.49	1.26	0.47	704.46
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**129.66**	**648.15**	**9.49**	**1.26**	**0.47**	**789.04**

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.16 OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2024	As at 31 March 2023
Employee benefit payables^	98.14	169.56
Creditors for capital goods	211.67	167.65
Other payables	21.53	0.07
	331.34	**337.28**

^ *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 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity (refer note 2.30 (b))	17.14	2.86
Compensated absences	10.83	13.39
	27.97	16.25
Provision for claims, other than taxes*	1.94	1.94
	29.91	**18.19**
***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 2024	As at 31 March 2023
Provision for taxation (net of advance tax)	25.28	30.08
	25.28	**30.08**

2.19 OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2024	As at 31 March 2023
Contract liabilities (advance from patients) (refer note. 2.42)	39.38	32.81
Statutory liabilities	83.90	76.63
	123.28	**109.44**

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.20 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income from medical and healthcare services		
- Revenue from hospital services (refer note 2.42)	11,300.60	10,242.29
- Revenue from pharmacy sales (refer note 2.42)	1,301.10	1,140.31
- Revenue from medical service fee (refer note 2.42)	255.19	225.41
	12,856.89	**11,608.01**
Other operating income		
- Cord blood extraction	30.22	33.53
- Canteen income	35.75	41.30
- Sponsorship income	-	22.72
- Sale of baby products	1.86	-
- Others	44.27	30.18
	112.11	**127.73**
Total revenue from operations	**12,969.00**	**11,735.74**

2.21 OTHER INCOME

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on financial assets carried at amortised cost		
- Bank deposits	162.90	246.25
- Loans	27.40	39.42
- Other financial assets carried at amortised cost	13.98	12.32
- Others	0.15	0.58
Gain on redemption of mutual funds, net	75.40	3.52
Net gain on financial assets measured at fair value through profit or loss	58.85	5.43
Reversal of expected credit loss, net	28.42	-
Liabilities no longer required written back	2.22	0.76
Gain on sale of property, plant & equipment	1.27	0.36
Other non-operating income	0.05	0.01
	370.64	**308.65**

2.22 COST OF MATERIALS CONSUMED

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory at the beginning of year	187.60	148.23
Add: Purchases during the year	1,704.98	1,622.15
Less: Closing inventory	(239.78)	(187.60)
	1,652.80	**1,582.78**

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.23 EMPLOYEE BENEFITS EXPENSE *

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	1,548.77	1,297.60
Contribution to provident and other funds (refer note 2.30(a))	66.57	51.92
Gratuity expense (refer note 2.30(b))	30.85	23.69
Employee share based payment expenses (refer note 2.47)	54.30	-
Staff welfare expenses	61.21	67.40
	1,761.70	**1,440.61**

** Net of amount capitalised (refer note 2.38)*

2.24 FINANCE COSTS *

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest cost on financial liabilities measured at amortised cost		
- on debentures	-	7.29
Interest expense on lease liabilities (refer note 2.32)	590.54	538.42
Others (including interest on income tax)	-	6.24
	590.54	**551.95**

** Net of amount capitalised (refer note 2.38)*

2.25 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment (refer note 2.1(a))	700.75	558.12
Amortisation of intangible assets (refer note 2.1(b))	13.41	9.21
Depreciation of right-of-use assets (refer note 2.32) *	406.66	335.35
	1,120.82	**902.68**

** Net of amount capitalised (refer note 2.38)*

2.26 (I) PROFESSIONAL FEES TO DOCTORS *

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Professional fees to doctors *	3,053.66	2,723.05
	3,053.66	**2,723.05**

** Net of amount capitalised (refer note 2.38)*

2.26 (II) OTHER EXPENSES *

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Hospital maintenance	65.18	61.54
Canteen expenses	236.21	190.90
Contract wages	330.84	265.26
Housekeeping expenses	77.02	74.21
Power and fuel	266.06	212.27
Lab and investigations	165.03	113.46

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Repairs and maintenance		
- Plant and equipment	83.54	71.58
- Others	164.45	205.03
Rent (refer note 2.32)	15.65	12.63
Rates and taxes	140.82	121.42
Business promotion and advertisement	290.24	272.90
Travelling and conveyance	57.64	50.85
Printing and stationery	83.53	74.07
Bad debts written off	0.66	9.66
Advances written off	3.57	12.08
Goodwill written off	-	29.87
Allowance for expected credit loss	-	40.62
Communication expenses	66.56	61.97
Insurance	15.94	12.61
Professional and consultancy	58.19	51.08
Audit fees (refer note 2.34)	7.24	7.76
Directors sitting fees	5.43	5.02
Donations	-	0.40
Corporate social responsibility (refer note 2.37)	35.91	24.33
Bank charges	34.76	31.90
Foreign exchange loss, net	0.23	1.36
Miscellaneous expenses	7.29	10.75
	2,211.99	**2,025.53**

** Net of amount capitalised (refer note 2.38)*

2.27 TAX EXPENSE, NET

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Amounts recognised in the Statament of Profit and Loss		
Current tax	770.39	840.82
Deferred tax credit	(5.13)	(146.80)
	765.26	**694.02**
Amounts recognised in other comprehensive income		
Deferred tax credit	(4.36)	(1.24)
	(4.36)	**(1.24)**
a. Reconciliation of effective tax rate		
Profit before tax	2,948.13	2,817.79
Enacted tax rate	25.17%	25.17%
Tax expense at enacted rates	741.99	709.18
80JJAA deduction	(8.81)	(2.34)
Expenses not deductible for tax	20.00	4.11
Others	16.44	(15.69)
	769.62	**695.26**

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

b. The following table provides the details of non-current tax assets and current tax liabilities:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Non-current tax assets, net	165.96	55.01
Current tax liabilities, net	(25.28)	(30.08)
Net non-current tax assets at the end of the year	**140.68**	**24.93**

c. The gross movement in the net non-current tax assets is as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Net non-current tax assets at the beginning of the year	24.93	57.10
Income tax paid	886.14	808.65
Income tax expense for the year	(770.39)	(840.82)
Net non-current tax assets at the end of the year	**140.68**	**24.93**

d. Recognition of deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax liability		
Property, plant and equipment	256.04	261.76
Right-of-use of assets	1,429.73	985.79
Others	14.84	1.40
Total deferred tax liability	**1,700.61**	**1,248.95**
Deferred tax asset		
Loss allowance on receivables	35.40	62.16
Provision for employee benefits	31.67	22.88
Provision for bonus	11.48	32.88
Lease liabilities	1,882.39	1,390.60
Total deferred tax asset	**1,960.94**	**1,508.52**
Net deferred tax asset	**260.33**	**259.57**

(ii) Movement in temporary differences

Particulars	Balance as at 1 April 2023"	Recognised in standalone statement of profit or loss during the year	Recognised in OCI	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	1,390.60	491.79	-	1,882.39
Right-of-use of assets	(985.79)	(443.94)	-	(1,429.73)
Property, plant and equipment	(261.76)	5.72	-	(256.04)
Others	(1.40)	(13.44)	-	(14.84)
	259.57	**5.12**	**(4.36)**	**260.33**

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	Balance as at 1 April 2022	Recognised in standalone statement of profit or loss during the year	Recognised in OCI	Balance as at 31 March 2023
Loss allowance on receivables	38.69	23.47	-	62.16
Provision for employee benefits	17.26	6.86	(1.24)	22.88
Provision for bonus	30.85	2.03	-	32.88
Brought forward losses	0.17	(0.17)	-	-
Lease liabilities	1,309.53	81.07	-	1,390.60
Right-of-use of assets	(1,008.31)	22.52	-	(985.79)
Property, plant and equipment	(272.92)	11.16	-	(261.76)
Others	(1.32)	(0.08)	-	(1.40)
	113.95	**146.86**	**(1.24)**	**259.57**

Deferred tax assets have not been recognised for Rosewalk Healthcare Private Limited ('subsidiary') on Unabsorbed depreciation of ₹ 138.38 million (31 March 2023: ₹ 124.34 million) and brought forward losses of ₹ 321.69 million (31 March 2023: 306.99 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 2024	As at 31 March 2023
(i)	Demands under dispute		
	- Income-tax matters	4.14	-
	- Goods and services tax	79.06	-
	- Luxury tax demand under dispute	79.06	18.55
(ii)	Claims against the Group not acknowledged as debt (Medico-legal) *	137.76	84.85
		300.01	**103.40**

** 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.*

iii) In February 2019, the Honourable Supreme Court of India vide its judgement, clarified the definition and scope of 'Basic Wages' under the Employees' Provident Funds & Miscellaneous Provision Act, 1952. The judgement is silent on the retrospective application and in the absence of any guidelines by the regulatory authorities and considering the practical difficulties, no effect is given for the earlier periods as the same is currently not determinable.

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.

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(All amounts are in rupees millions, except share data and unless otherwise stated)

2.29 CAPITAL COMMITMENTS

	Particulars	As at 31 March 2024	As at 31 March 2023
-	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	317.31	376.94

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 2024 amounts to ₹ 58.25 million and ₹ 8.32 million respectively (31 March 2023: ₹ 43.18 million and ₹ 8.74 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 standalone financial statements as at the balance sheet date :

Particulars	As at 31 March 2024	As at 31 March 2023
Defined benefit obligation	81.15	73.67
Fair value of plan assets	(5.00)	-
Net defined benefit obligation	**76.15**	**73.67**
Provisions (current) (Refer note 2.17)	17.14	2.86
Provisions (non-current) (Refer note 2.14)	59.01	70.81

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:

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:

Particulars	As at 31 March 2024	As at 31 March 2023
Defined benefit obligation as at beginning of the year	73.67	59.81
Current service cost	24.96	19.46
Interest cost	5.40	4.25
Actuarial gains recognised in other comprehensive income	(17.70)	(5.58)
Benefits paid	(5.18)	(4.27)
Defined benefit obligation at the end of the year	**81.15**	**73.67**

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(All amounts are in rupees millions, except share data and unless otherwise stated)

ii. Reconciliation of fair value of plan assets

Particulars	As at 31 March 2024	As at 31 March 2023
Plan assets as at the beginning of the year	-	-
Contributions paid in to the plan	10.18	-
Return on plan assets less interest on plan assets	(0.00)	-
Benefits paid	(5.18)	-
	5.00	**-**

C. (i) Gratuity expense recognised in the statement of profit and loss:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	24.96	19.46
Interest on defined benefit obligation	5.40	4.25
Gratuity expenses, included in employee benefit expenses	**30.36**	**23.71**

C. (ii) Re-measurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial (gain)/loss on defined benefit obligation		
- Actuarial loss/(gain) arising from change in financial assumptions	1.08	(2.34)
- Actuarial gain arising from change in demographic assumptions	(17.59)	-
- Actuarial gain arising on account of experience changes	(1.19)	(3.24)
Actuarial gain recognised in other comprehensive income	**(17.70)**	**(5.58)**

D. Plan assets

Plan assets comprises of the following :

Particulars	As at 31 March 2024	As at 31 March 2023
Fund managed by insurer	5.00	-

E. Defined benefit obligation

Actuarial assumptions at balance sheet date:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Discount rate	7.15% p.a	7.50% p.a
Salary escalation rate	8% p.a	8% p.a
Attrition rate		
Age 21 to 30	49% p.a	10% p.a
Age 31 to 40	34% p.a	5% p.a
Age 41 to 50	24% p.a	3% p.a
51 and above	18% p.a	2% p.a
Retirement Age	58 years	58 years

Maturity profile of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023
1st following year	22.13	3.46
Year 2 to 5	50.47	15.58
Year 6 to 9	21.86	21.05
For 10 years and above	21.04	192.36

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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:

Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (50 bps movement)	79.58	82.80	69.29	78.47
Salary escalation rate (50 bps movement)	82.72	79.64	78.18	69.48

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 2025 is ₹ 22.13 millions

The weighted average duration of the defined benefit obligation is 3.54 years (31 March 2022: 12.37 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
	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 (appointed w.e.f 15 April 2023)
	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
Enterprise exercising significant influence on the Group	British International Investment plc (formerly known as CDC Group plc) (up to 05 December 2022)
	CDC India Opportunities Limited (up to 05 December 2022)
	CDC Emerging Markets Limited (up to 05 December 2022)
Enterprises where key managerial personnel along with their relatives exercise significant influence	Ravindranath GE Medical Associates Private Limited
	Rainbow Children's Foundation (Trust)
	Rainbow Children's Hospital Foundation (Trust) (w.e.f 12 September 2023)
Enterprises where relative of key managerial personnel is a member	Unimed Healthcare Private Limited

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(b) Following is the summary of significant related party transactions during the year:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from medical/ professional services rendered		
- Rainbow Children's Foundation (Trust)	8.19	1.95
Professional services received		
- Ravindranath GE Medical Associates Private Limited	7.28	7.71
- Unimed Healthcare Private Limited	13.52	-
Medical service fee paid		
- Ravindranath GE Medical Associates Private Limited	0.25	7.71
CSR expenditure		
- Rainbow Children's Hospital Foundation (Trust)	10.00	-
Travel advance given to KMP		
- Dr. Ramesh Kancharla	0.33	-
Professional charges to KMP		
- Dr. Dinesh Kumar Chirla	34.04	39.80
- Dr. Adarsh Kancharla	0.96	-
- Dr. Nageswar Rao Koneti	15.00	-
Expenses incurred on behalf of related parties		
- Mr. Ramadhara Naidu Kancharla	0.05	0.02
Remuneration including variable fee to KMP^		
- Dr. Ramesh Kancharla	65.00	65.00
- Mr. R.Gowrisankar	1.72	10.27
- Mr. Vikas Maheshwari	12.36	-
- Mr. Sanjeev Sukumaran	23.19	-
- Mr. Ashish Kapil	2.77	2.80
^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.		
Project management consultancy fee to relative of KMP		
- Mr. Ramadhara Naidu Kancharla	6.00	6.00
Consultancy fee to KMP		
- Dr. Adarsh Kancharla	-	0.60
Rental expenditure		
- Unimed Healthcare Private Limited	48.46	24.38
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	1.15	1.05
- Mr. Aluri Srinivasa Rao	0.80	1.10
- Mrs. Sundari Raviprasad Pisupati	1.45	0.90
- Mr. Santanu Mukherjee	1.70	1.20
- Dr. Adarsh Kancharla	0.10	-

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(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Leave travel allowance to KMP		
- Dr. Ramesh Kancharla	3.05	2.57
- Dr. Dinesh Kumar Chirla	1.20	1.20
Expenditure incurred on behalf of KMP		
- Dr. Dinesh Kumar Chirla	0.07	-
Redemption of 9.50% redeemable non-convertible debentures		
- CDC Emerging Markets Limited	-	400.00
Interest on 9.50% redeemable non-convertible debentures		
- CDC Emerging Markets Limited	-	7.29
Interest paid on 9.50% redeemable non-convertible debentures		
- CDC Emerging Markets Limited	-	25.82
Dividend paid during the year to KMP and relative of KMP		
- Dr. Ramesh Kancharla	94.48	62.99
- Dr. Dinesh Kumar Chirla	19.90	13.27
- Dr. Adarsh Kancharla	18.33	12.22
- Mr. Ramadhara Naidu Kancharla	0.18	0.12
- Mr. R.Gowrisankar	0.01	0.01
- Mr. Ashish Kapil	0.00	0.00

c) **The Group has the following amounts due from/ to the related parties:**

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables		
- Ravindranath GE Medical Associates Private Limited	1.29	0.01
- Rainbow Children's Foundation (Trust)	-	0.04
Trade receivables		
- Rainbow Children's Foundation (Trust)	1.30	0.00
Salary advance to KMP		
- Mr. R.Gowrisankar	-	0.40
Travel advance to KMP		
- Dr. Ramesh Kancharla	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	2.80	3.35
- Dr. Nageswar Rao Koneti	1.25	-
Leave travel allowance payable to KMP		
- Dr. Dinesh Kumar Chirla	-	0.61
Project management consultancy fee payable to relative of KMP		
- Mr. Ramadhara Naidu Kancharla	0.50	0.50
Consultancy fee payable to of KMP		
- Dr. Adarsh Kancharla	-	0.10
Rent Payable		
- Unimed Healthcare Private Limited	4.37	3.75
Rental Security Deposit		
- Unimed Healthcare Private Limited	30.00	30.00

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

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.)

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 1 April 2022	**5,132.10**
Additions	296.26
Disposals	(2.13)
Modification	146.92
Cost as at 31 March 2023 (A)	**5,573.15**
Cost as at 1 April 2023	5,573.15
Additions	2,049.84
Disposals	(4.86)
Modification	41.18
Cost as at 31 March 2024 (B)	**7,659.31**
Accumulated amortisation	
Accumulated depreciation as at 1 April 2022	778.16
Depreciation charge for the year	335.35
Modification	18.41
Accumulated depreciation as at 31 March 2023 (C)	**1,131.92**
Accumulated depreciation as at 1 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 (D)	**1,557.51**
Net carrying amounts	
As at 31 March 2023 (A-C)	4,441.23
As at 31 March 2024 (B-D)	6,101.79

B The following is the rental expense recorded for short-term leases, variable leases and low value assets.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Short- term lease	15.65	12.63
Total	**15.65**	**12.63**

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

C Following is the movement in lease liabilities :

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening Balance	**5,703.22**	**5,392.43**
Additions	2,017.34	264.81
Finance cost	590.54	538.42
Finance cost capitalised (refer note 2.38)	31.46	-
Disposals	(5.31)	(0.33)
Payment of lease liabilities	(724.99)	(594.25)
Modification	40.80	102.14
Lease liability at the end of the year	**7,653.06**	**5,703.22**
Non-current lease liabilities	7,483.31	5,598.57
Current lease liabilities	169.75	104.65

D The following is the cash outflow on leases during the years:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Payment of lease liabilities	724.99	594.25
Short-term lease expense	15.65	12.63
Total cash outflow on leases	**740.64**	**606.88**

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 2024	For the year ended 31 March 2023
Less than 1 year	862.88	629.92
1 to 5 years	3,709.98	2,751.73
More than 5 years	10,519.70	7,544.57

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 Board of Directors. 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.

Notes to the Consolidated Financial Statements

(All amounts are in 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 2024	For the year ended 31 March 2023
As an auditor		
- Statutory audit fees	4.01	5.91
- Limited review	2.40	1.50
- Reimbursement of expenses	0.83	0.35
Total	**7.24**	**7.76**

2.35 EARNINGS PER SHARE (EPS):

The earnings per share has been computed as under:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit attributable to equity shareholders (After adjusting Non-Controlling Interest (A)	**2,170.01**	**2,108.34**
Shares		
Number of equity shares at the beginning of the year	101,501,687	94,053,928
Add: Fresh issue	-	5,167,679
Add: Preference shares converted	-	2,280,080
Total number of equity shares outstanding at the end of the year	101,501,687	101,501,687
Weighted average number of equity shares outstanding at the end of year – Basic	**101,501,687**	**100,949,524**
Number of equity shares at the end of year (B)	**101,501,687**	**100,949,524**
Effect of potential equity shares on employee stock options outstanding (C)	254,641	-
Weighted average number of equity shares outstanding during the year – Diluted (D = B+C)	**101,756,328**	**100,949,524**
Earnings per share		
Earnings per share of par value ₹ 10 - Basic (₹)	21.38	20.89
Earnings per share of par value ₹ 10 - Diluted (₹)	21.38	20.89

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 2024 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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Particulars		As at 31 March 2024	As at 31 March 2023
(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	94.19	84.58
	- 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 2024	For the year ended 31 March 2023
Details of Corporate social responsibility expenditure			
(i)	Gross amount required to be spent by the Holding Company during the year	35.91	24.33
(ii)	Amount approved by the Board to be spent during the year	35.91	24.33
(iii)	Amount spent during the year (in cash)		
	- construction/ acquisition of any asset	-	-
	- on purpose other than above	14.11	24.33
(iv)	Amount spent during the year (yet to be paid in cash)		
	- construction/ acquisition of any asset	21.80	-
	- on purpose other than above	-	-
(v)	(Shortfall) / Excess at the end of the year	-	-
(vi)	Total of previous years shortfall	-	-
(vii)	Details of related party transactions	NA	NA
(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

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(All amounts are in rupees millions, except share data and unless otherwise stated)

Particulars			For the year ended 31 March 2024	For the year ended 31 March 2023
(ix)	Reason for shortfall For the year ending 31 March 2024 and 31 March 2023 : "		NA	NA
(x)	Nature of CSR activities:			
	a)	Promotion of education and sports	2.91	2.56
	b)	Rural development activities and training for women	10.00	7.50
	c)	Promotion of medical facilities and	1.13	12.27
	d)	Ensuring environmental sustainability	-	2.00
	e)	Administrative overheads	0.07	-
	d)	Transferred to unspent CSR account (on-going project)*	21.80	-

** Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules 2021 ("the Rules"), the Holding Company has transferred the Unspent amount of ₹ 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 Group 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 Group.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Employee benefit expenses (A)	**152.17**	**57.38**
Finance cost (B)	**31.46**	**-**
Depreciation and amortisation (C)	**19.08**	**31.53**
Professional expenses (D)	**11.75**	**-**
Other expenses:		
Professional and consultancy	74.30	25.43
Travelling and conveyance	2.77	2.58
Power and fuel	4.70	-
Rates and taxes	38.20	-
Other expenses	23.53	2.25
Total (E)	**143.50**	**30.26**
Total (A+B+C+D+E)	**357.96**	**119.17**

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. 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.

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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 Group's exposure to credit risk for trade and other receivables by category is as follows:

Particulars	Carrying amount	
	As at 31 March 2024	As at 31 March 2023
Insurance companies and Third-Party Administrator (TPA)	322.71	375.93
Central and state government (including public sector undertakings)	22.42	110.09
Corporates, individual customers and others	500.87	220.43
Total	**845.99**	**706.45**

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

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	56.97%	30.87
2-3 years	13.43	159.87%	21.47
More than 3 years	6.32	100.00%	6.32
	845.99		**141.57**

As at 31 March 2023

Age	Gross carrying amount	Weighted average loss rate	Allowance for expected credit loss
Less than 6 months	511.69	12.91%	66.08
6 months - 1 year	85.04	22.00%	18.70
1-2 years	25.38	100.00%	25.38
2-3 years	19.21	100.00%	19.21
More than 3 years	65.13	100.00%	65.13
	706.45		**194.50**

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.

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(All amounts are in rupees millions, except share data and unless otherwise stated)

Movement in allowance for impairment in respect of trade receivables is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	194.50	153.88
(Reversal)/provision for expected credit loss	(28.42)	40.62
Bad debts written-off out of opening	(24.51)	-
Net remeasurement of provision	**141.57**	**194.50**

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 2024 and 31 March 2023 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 2024	As at 31 March 2023
Trade receivables	704.42	511.95
Cash and cash equivalents	101.19	169.65
Bank balances other than cash and cash equivalents	0.07	300.95
Investments	3,075.03	581.36
Other financial assets	2,216.34	5,217.89
Loans	330.42	437.53
Total	**6,427.47**	**7,219.33**

Following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted

As at 31 March 2024

Age	Carrying Amount	Within 1 year	1-5 Years	More than five years	Total amount
Trade payables	814.97	814.97	-	-	814.97
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	**8,799.37**	**2,009.19**	**3,709.98**	**10,519.70**	**16,238.87**

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As at 31 March 2023

Age	Carrying Amount	Within 1 year	1-5 Years	More than five years	Total amount
Trade payables	789.04	789.04	-	-	789.04
Other financial liabilities	337.28	337.28	-	-	337.28
Lease liabilities (undiscounted)	5,703.22	629.92	2,751.73	7,544.57	10,926.22
Total	**6,829.54**	**1,756.24**	**2,751.73**	**7,544.57**	**12,052.54**

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 2024	As at 31 March 2023
Fixed rate instruments (excluding interest accrued)		
Financial assets	2,078.62	5,476.87
Financial liabilities	7,653.06	5,703.22

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 Europe (EUR) and 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 2024		As at 31 March 2023	
		Amount in foreign currency (in whole no's)	Amount in ₹	Amount in foreign currency (in whole no's)	Amount in ₹
Trade payables	EUR	-	-	1,000	0.09
Trade payables	USD	108,847	9.04	126,617	10.45

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Sensitivity analysis:

A reasonably possible strengthening / (weakening) of the INR, against USD and EUR 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 2024				
USD (5% movement)	0.45	(0.45)	0.45	(0.45)
31 March 2023				
EUR (5% movement)	0.00	(0.00)	0.00	(0.00)
USD (5% movement)	0.52	(0.52)	0.39	(0.39)

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 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 Group's adjusted debt to equity ratio is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Total debt	-	-
Total equity	12,649.20	10,649.16
Gearing ratio	**-**	**-**

Notes to the Consolidated Financial Statements

(All amounts are in 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 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	Total carrying amount			
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	-	-	-	814.97	814.97	-	-	-
Other financial liabilities	2.16	-	-	-	331.34	331.34	-	-	-
		-	**-**	**-**	**1,146.31**	**1,146.31**	**-**	**-**	**-**

** 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

(All amounts are in 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 2023

Particulars	Note	Carrying values							
		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	Total carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value									
Investments in equity instruments*	2.2	-	0.03	-	-	0.03	-	-	0.03
Investments in mutual funds	2.7	581.33	-	-	-	581.33	581.33	-	-
		581.33	**0.03**	**-**	**-**	**581.36**	**581.33**	**-**	**0.03**
Financial assets at amortised cost									
Trade receivables	2.8	-	-	511.95	-	511.95	-	-	-
Cash and cash equivalents	2.9 (a)	-	-	169.65	-	169.65	-	-	-
Bank balances other than cash and cash equivalents	2.9 (b)	-	-	300.95	-	300.95	-	-	-
Loans	2.10	-	-	437.53	-	437.53	-	-	-
Other financial assets	2.3 (a) & 2.3 (b)	-	-	5,217.89	-	5,217.89	-	-	-
		-	**-**	**6,637.97**	**-**	**6,637.97**	**-**	**-**	**-**
Financial liabilities at amortised cost									
Trade payables	2.15	-	-	-	789.04	789.04	-	-	-
Other financial liabilities	2.16	-	-	-	337.28	337.28	-	-	-
		-	**-**	**-**	**1,126.32**	**1,126.32**	**-**	**-**	**-**

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 2024 and 31 March 2023

** 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

(All amounts are in rupees millions, except share data and unless otherwise stated)

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 2024	For the year ended 31 March 2023
Income from medical and healthcare services		
Revenue from hospital services	11,300.60	10,242.29
Revenue from pharmacy sales	1,301.10	1,140.31
Revenue from medical service fee	255.19	225.41
Total revenue from contracts with customers	**12,856.89**	**11,608.01**

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 2024 and 31 March 2023.

Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contracted price	12,924.88	11,700.65
Reduction towards variable consideration components*		
-Discounts	(55.42)	(74.02)
-Disallowances	(12.57)	(18.62)
Revenue recognised	**12,856.89**	**11,608.01**

**Variable consideration components include discounts and disallowances on the contract price.*

Contract balances

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables*	754.65	629.73
Unbilled revenue	91.34	76.72
Contract liabilities (advance from patients)#	39.38	32.81

Movement in contract liabilities during the year:

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	32.81	90.97
Less: Revenue recognised from above	(32.81)	(90.97)
Add: Addition during the year	39.38	32.81
Balance at the end of the year	**39.38**	**32.81**

** 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. 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.

Notes to the Consolidated Financial Statements

(All amounts are in 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.

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 consolidated profit / (loss)	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	96.52%	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%	0.01
Rainbow Woman and Children's Hospital Private Limited	100%	India	0.00%	(0.01)	0.00%	0.04	-	-	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	-	-	0.07%	1.55
Rainbow Fertility Private Limited	100%	India	0.42%	52.70	0.10%	2.23	-	-	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)	-	-	-1.23%	(27.08)
Total			**100.00%**	**12,649.20**	**100.00%**	**2,182.87**	**100.09%**	**13.34**	**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.

Notes to the Consolidated Financial Statements

(All amounts are in 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.

31 March 2023

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 consolidated profit / (loss)	Amount	As % of consolidated total comprehensive income	Amount
Holding Company										
Rainbow Children's Medicare Limited		India	102.20%	10,883.88	96.95%	2,058.93	83.18%	3.61	96.92%	2,062.54
Wholly owned subsidiary										
Rainbow Children's Hospital Private Limited	100%	India	0.00%	0.05	0.00%	0.09	-	-	0.00%	0.09
Rainbow Woman and Children's Hospital Private Limited	100%	India	0.00%	(0.05)	0.02%	0.52	-	-	0.02%	0.52
Rosewalk Healthcare Private Limited	100%	India	-0.52%	(55.34)	-1.28%	(27.12)	14.75%	0.64	-1.24%	(26.48)
Rainbow C R O Private Limited	100%	India	0.00%	0.29	0.02%	0.42	-	-	0.02%	0.42
Rainbow Fertility Private Limited	100%	India	0.47%	50.47	0.09%	1.85	-	-	0.09%	1.85
Subsidiary										
Rainbow Speciality Hospital Private Limited	78.81%	India	2.22%	236.22	3.43%	72.82	1.84%	0.08	3.43%	72.90
Non-controlling interests in subsidiary			0.47%	50.06	0.73%	15.43	0.46%	0.02	0.73%	15.45
Elimination			-4.85%	(516.42)	0.04%	0.83	-	-	0.04%	0.83
Total			**100.00%**	**10,649.16**	**99.98%**	**2,123.77**	**100.23%**	**4.34**	**100.00%**	**2,128.11**

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.

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

2.45 RATIOS AS PER THE SCHEDULE III REQUIREMENTS

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	31 March 2024	31 March 2023
Current Assets	6,216.27	4,778.80
Current Liabilities (excluding current borrowings)	1,494.53	1,388.68
Ratio	4.16	3.44
% Change from previous year	**20.93%**	

Reason for change more than 25%: Not applicable

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 2024	31 March 2023
Total debt	-	-
Shareholder's Equity	12,649.20	10,649.16
Ratio	-	-
% Change from previous year		

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 2024	31 March 2023
Net Profit after taxes	2,182.87	2,123.77
Add: Non cash operating expenses and finance cost	**1,711.36**	**1,454.63**
- Depreciation and amortisation	1,120.82	902.68
- Finance cost	590.54	551.95
Earnings available for debt service	**3,894.23**	**3,578.40**
Interest cost on borrowings	-	7.29
Lease payments	724.99	594.25
Principal repayments of borrowings	-	398.11
Total Interest and principal repayments	**724.99**	**999.65**
Ratio	**5.37**	**3.58**
% Change from previous year	**(50.00%)**	

Reason for change more than 25%:

This ratio has increased from 3.58 in March 2023 to 5.37 in March 2024 mainly due to nil borrowings and increase in earnings available for debt services on account of increase in net profit after tax during the year.

d) Return on Equity Ratio / Return on Investment Ratio = Net profit after taxes by average shareholder's equity

Particulars	31 March 2024	31 March 2023
Net profit after taxes	2,170.01	2,108.34
Average Shareholder's Equity (excluding Non-controlling interest)	11,594.19	8,313.58
Ratio	18.72%	25.36%
% Change from previous year	**(26.18%)**	

Reasons for change more than 25%:

This ratio has decreased from 25.36% in March 2023 to 18.72% in March 2024 mainly due to increase in reserves during the year.

Notes to the Consolidated Financial Statements

(All amounts are in rupees millions, except share data and unless otherwise stated)

e) **Inventory Turnover Ratio = Cost of goods sold divided by average inventory**

Particulars	31 March 2024	31 March 2023
Cost of materials consumed	1,652.80	1,582.78
Average Inventory	213.69	167.92
Inventory Turnover Ratio	**7.73**	**9.43**
% Change from previous year	**(18.03%)**	

Reason for change more than 25%: Not applicable

f) **Trade Receivables turnover ratio = Revenue from operations divided by Average Trade Receivables**

Particulars	31 March 2024	31 March 2023
Revenue from operations	12,969.00	11,735.74
Average Trade Receivables	608.19	493.72
Ratio	21.32	23.77
% Change from previous year	**(10.31%)**	

Reason for change more than 25%: Not applicable

g) **Trade payables turnover ratio = Net purchases divided by Average Trade Payables**

Particulars	31 March 2024	31 March 2023
Purchases	1,704.98	1,622.15
Average Trade Payables	802.01	744.29
Ratio	2.13	2.18
% Change from previous year	**(2.29%)**	

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 (excluding current borrowings)**

Particulars	31 March 2024	31 March 2023
Revenue from operations	12,969.00	11,735.74
Working capital	4,721.74	3,390.12
Ratio	2.75	3.46
% Change from previous year	**(20.52%)**	

Reason for change more than 25%: Not applicable

i) **Net profit ratio = Net profit after taxes divided by Revenue from operations**

Particulars	31 March 2024	31 March 2023
Net profit after taxes	2,182.87	2,123.77
Revenue from operations	12,969.00	11,735.74
Ratio	16.83%	18.10%
% Change from previous year	**(7.02%)**	

Reason for change more than 25%: Not Applicable

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(All amounts are in 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 2024	31 March 2023
Profit before tax (A)	2,948.13	2,817.79
Finance costs (B)	590.54	551.95
Other income (C)	370.64	308.65
EBIT (D) = (A)+(B)-(C)	**3,168.03**	**3,061.09**
Capital Employed (Pre Cash) (J)=(E)-(F)-(G)-(H)-(I)	**15,083.19**	**12,422.28**
Total Assets (E)	21,703.98	17,707.22
Current Liabilities (F)	1,494.53	1,388.68
Current Investments (G)	3,075.00	581.33
Cash and Cash equivalents (H)	101.19	169.65
Current portion of fixed deposits and accrued interest with banks (I)	1,950.07	3,145.28
Ratio (D)/(J)	**21.00%**	**24.64%**
% Change from previous year	**(14.77%)**	

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 2024	31 March 2023
Gain on redemption of mutual funds, net	75.40	3.52
Net gain on financial assets measured at fair value through profit or loss	58.85	5.43
Interest income on bank deposits	162.90	246.25
Income generated from invested funds (A)	**297.15**	**255.20**
Average Invested Funds (B)	5,363.17	3,996.77
Ratio (A)/(B)	**5.54%**	**6.39%**
% Change from previous year	**(13.30%)**	

Reason for change more than 25%: Not Applicable

2.46 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.

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.

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(All amounts are in rupees millions, except share data and unless otherwise stated)

Movement in the stock units under the Plan	No. of stock units	
	As at 31 March 2024	As at 31 March 2023
Stock units outstanding at the beginning of the year	-	-
Stock units granted during the year	312,414	-
Stock units exercised during the year	-	-
Stock units exercisable at the end of the year	**312,414**	- -

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:

Particulars	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 2.22

2.47 SUBSEQUENT EVENTS

There are no significant adjusting events that occured subsequent to the balance sheet date.

2.48 OTHER STATUTORY INFORMATION:

i. 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.

ii. The Group do not have any transactions with companies struck off.

iii. The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv. The Group has not been declared a willful defaulter by any bank or financial institution or any other lender during the current year.

v. 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:

a. 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

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(All amounts are in rupees millions, except share data and unless otherwise stated)

b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

vi. 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:

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 Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

ix. 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.

x. The Group has complied with the number of layers prescribed under the Companies Act, 2013.

xi. 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.

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.

2.49 During the previous year, 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.

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(All amounts are in rupees millions, except share data and unless otherwise stated)

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 2024 * (B)	Amount to be spent as per offer document for the year 2024-25 (C)	Utilisation up to 31 March 2024 (D)	Unspent balance for the year 2023-24 (E) = (B) - (D)	Reasons for delay in utilisation of IPO Proceeds
Early redemption of NCDs issued by our Company to CDC Emerging Markets Limited, in full	400.00	400.00	-	400.00	-	NA
Capital expenditure towards setting up of new hospitals and purchase of medical equipment for such new hospitals	1,700.00	1,500.00	200.00	1,325.07	174.93	Delay in execution of few projects.
General Corporate Purposes	561.40	576.10	-	576.10	-	NA
Total	**2,661.40**	**2,476.10**	**200.00**	**2,301.17**	**174.93**	

During the 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. The Board of Directors of the Holding Company in their meeting held on 30 October 2023 has 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.

Net IPO proceeds which were unutilised as at 31 March 2024 were temporarily invested in fixed deposits and held in current account with banks.

2.50 The Group has used accounting software for maintaining its books of account 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 except that audit trail feature is not enabled for certain changes made, if any, using privilege/administrative access rights to the SAP application. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software where audit trail has been enabled.

As per our report of even date attached.

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Atin Bhargava
Partner
Membership Number.: 504777

Place: Hyderabad
Date: 19 May 2024

For and on behalf of the Board of Directors of
Rainbow Children's Medicare Limited
(formerly known as 'Rainbow Children's Medicare Private Limited')
CIN: L85110TG1998PLC029914

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Dr. Dinesh Kumar Chirla
Director
DIN: 01395841

Vikas Maheshwari
Chief Financial Officer

Ashish Kapil
Company Secretary
Membership Number: A31782

Place: Hyderabad
Date: 19 May 2024

Place: Hyderabad
Date: 19 May 2024

Rainbow® Children's Hospital
It takes a lot to treat the little.

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, Karvy Lane, 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-sixth (26^{th}) Annual General Meeting ("**AGM**") of the members of Rainbow Children's Medicare Limited ("**the Company**") will be held on Tuesday, July 30, 2024 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, 2024, 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, 2024 and the report of the Auditors thereon.

2. To declare dividend of ₹ 3/- per Equity Share for the Financial Year ended March 31, 2024.

3. To appoint a Director in place of Dr. Ramesh Kancharla (DIN: 00212270), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. To approve the remuneration payable to Dr. Ramesh Kancharla, Chairman and Managing Director of the Company.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions of the Companies Act, 2013 ("**Act**") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), or re-enactment(s) thereof, for the time being in force), and other applicable provisions, if any, and pursuant to the recommendations of the Nomination & Remuneration Committee, Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for the payment of remuneration to Dr. Ramesh Kancharla, Chairman & Managing Director (DIN: 00212270), on the terms and conditions including remuneration as detailed below effective from December 1, 2024 and valid till the remaining tenure of his appointment i.e., August 10, 2026:

I	Basic Salary	₹ 50 Lakh Per Month.
II	Special Allowance	₹ 4,16,670/- Per Month.
III	Perquisites and Other Entitlements	In addition to the above, Dr. Kancharla shall be entitled to allowance and benefits as per the policy of Company in force, such as: **a.** Reimbursement of Medical expenses incurred for self and family subject to limit of one month's basic salary per year. **b.** Health Insurance cover for self and family as per the Company policy. **c.** Personal Accident Insurance coverage for self as per the Company policy. **d.** Leave Travel Allowance ("LTA") once in a year for self and family subject to the maximum of one-month basic salary for every year. LTA payment is subject to the provisions of the Income Tax Act, 1961.

		e. Club membership fees subject to maximum of two clubs. **f.** Company maintained car with Chauffeur. **g.** Business Travel by First/ Business Class. **h.** Reimbursement for Mobile Phone(s)/ Telephone and Internet Connections at residence. **i.** Payment of Gratuity and other retirement benefits. **j.** Earned Leave encashment and such other benefits as may be applicable to the employees of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the remuneration by way of salary, perquisites and other allowances payable to Dr. Ramesh Kancharla as Chairman & Managing Director of the Company shall not exceed the limits prescribed under Schedule V of the Companies Act, 2013 (as may be amended from time to time) and the Rules made there under or any statutory modification or re-enactment thereof.

RESOLVED FURTHER THAT pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time, the consent of the Members of the Company be and is hereby accorded for the payment of remuneration, as specified above, to Dr. Ramesh Kancharla, Chairman & Managing Director, notwithstanding that (i) the annual remuneration payable to him exceeds ₹ 5 Crore or 2.5% of the net profits of the Company, whichever is higher; or (ii) the aggregate annual remuneration, fee and compensation of all the promoter executive directors of the Company exceeds 5% of the net profits of the Company.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, do all such acts, deeds, matters and things as may be necessary and sign & execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto".

5. To approve the remuneration payable to Dr. Dinesh Kumar Chirla, Whole-Time Director of the Company.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions of the Companies Act, 2013 ("**Act**") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), or re-enactment(s) thereof, for the time being in force), and other applicable provisions, if any, and pursuant to the recommendations of the Nomination & Remuneration Committee, Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for the payment of remuneration by way of professional fee to Dr. Dinesh Kumar Chirla, in his capacity as a Whole-time Director (DIN: 01395841), on the terms and conditions as detailed below, effective from December 1, 2024 and valid till the remaining tenure of his appointment i.e., August 10, 2026:

I	Remuneration by way of professional fee	Not exceeding ₹ 50 Lakh Per Month.
II	Perquisites and Other Entitlements	In addition to the above, Dr. Dinesh Kumar Chirla shall be entitled to allowance and benefits as per the policy of Company in force, such as: **a.** Reimbursement of Medical expenses incurred for self and family subject to a limit of ₹ 12 Lakhs. **b.** Health Insurance cover for self and family as per the company policy. **c.** Personal Accident Insurance coverage for self as per the company policy. **d.** Leave Travel Allowance ("LTA") once in a year for self and family subject to the maximum of ₹12 Lakhs. LTA payment is subject to the Income Tax Act, 1961. **e.** Club membership fees subject to maximum of one club.

		f. Company maintained car with Chauffeur. **g.** Reimbursement for Mobile Phone(s)/ Telephone and Internet Connections at residence. **h.** Business Travel as per the policies of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the remuneration by way of professional fee and other perquisites payable to Dr. Dinesh Kumar Chirla, Whole-time Director of the Company shall not exceed the limits prescribed under Schedule V of the Companies Act, 2013 (as may be amended from time to time) and the Rules made there under or any statutory modification or re-enactment thereof.

RESOLVED FURTHER THAT pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time, the consent of the members of the Company be and is hereby accorded for the payment of remuneration by way of professional fee, as specified above, to Dr. Dinesh Kumar Chirla Whole-time Director, notwithstanding that (i) the annual remuneration by way of professional fee payable to him exceeds ₹ 5 Crore or 2.5% of the net profits of the Company, whichever is higher; or (ii) the aggregate annual remuneration, fee and compensation of all the promoter executive directors of the Company exceeds 5% of the net profits of the Company.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, do all such acts, deeds, matters and things as may be necessary and sign & execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto".

6. To ratify the remuneration payable to Cost Auditors for the Financial Year 2024-25.

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) or 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 Shareholders 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, Sole Proprietorship Firm (Firm Reg. No: 101257), represented by K.V.N. Lavanya, Sole Proprietor (Membership No: 31069), Cost Accountants, appointed as the Cost Auditors of the Company for the Financial Year 2024-25.

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."

By Order of the Board
For **Rainbow Children's Medicare Limited**

Ashish Kapil
Company Secretary and Compliance Officer
M. No: A31782

Place: Hyderabad
Date: May 19, 2024

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 (“**Act**”) setting out material facts concerning the business with respect to Item Nos. 4, 5 & 6 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/ 2023 dated September 25, 2023 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/2023/167 dated October 7, 2023 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 ("Notice") along with the Annual Report 2023-24 (“**Annual Report**”) is being sent only by electronic mode to those Members whose email address are registered with the Company/ RTA/ Depositories. Members may please note that this Notice and Annual Report will also be available on the Company’s website at https://www.rainbowhospitals.in/investors-relations/annual-reports 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 Friday, June 28, 2024.

5. Pursuant to the provisions of the MCA Circulars, Members attending the 26th 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. authorising 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@bscsllp.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" is 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.

Before the Initial Public Offering, the Members at their meeting held on November 30, 2021 approved the Rainbow Employee Stock Option Scheme 2021 (**"ESOP Scheme"**) for issue of employee stock options to eligible employees, which may result in an issuance of a maximum number of 2,049,660 Equity Shares. The Company is yet to implement the ESOP Scheme under the provision of SEBI SBEB SE Regulations. Further, the Company has not granted any options under the said ESOP Scheme, accordingly, the requirement of obtaining the certificate of compliance as required from the secretarial auditors of the Company under SEBI SBEB SE Regulations is not applicable.

9. The Final Dividend on equity shares as recommended by the Directors of the Company for the Financial Year ended March 31, 2024, if declared at the AGM, will be paid on or before Wednesday, August 28, 2024 to those members whose names appear in the Register of Members as on Tuesday, July 23, 2024 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 Tuesday, July 23, 2024 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 Partners of M/s BS and Co LLP 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, Karvy Lane, 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: -

i. 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.

ii. The remote e-voting period begins on Friday, July 26, 2024 at 09:00 A.M. and ends on Monday, July 29, 2024 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.

iii. The Members, whose names appear in the Register of Members/ Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, July 23, 2024 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 Tuesday, July 23, 2024. 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.

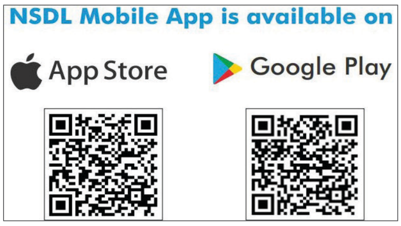
Step 2: Cast your vote electronically on NSDL e-voting system.

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	**1.** 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 Owne**r" 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. **2.** 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. **3.** 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. **4.** Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with CDSL	**1.** 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. **2.** 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.

Type of Shareholders	Login Method
	3. 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. **4.** 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 22 55 33

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?

1. 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.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. 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**************

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) 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.

c) How to retrieve your 'initial password'?

(i) 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'.

(ii) 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:

a) 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.

b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) 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.

d) 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?

1. 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.

2. 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 General Meeting".

3. 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, 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 July 22, 2024 (9:00 AM. IST) to July 25, 2024 (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, Officer, NSDL at evoting@nsdl.com or call on toll free no.: 022 - 4886 7000 or write at NSDL, 4th floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

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, Tuesday, July 30, 2024
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	Tuesday, July 23, 2024
E-voting start time and date	Friday, July 26, 2024 at 9:00 A.M.
E-voting end time and date	Monday, July 29, 2024 at 5:00 P.M.
E-voting website	https://www.evoting.nsdl.com/
Name, address and contact details of e-voting service provider	Ms. Prajakta Pawle, Officer, NSDL at evoting@nsdl.com Address: TradeWorld, 'A'Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 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

Dr. Ramesh Kancharla is one of the promoters of the Company and has been on the Board as the Chairman and Managing Director since incorporation.

The Members of the Company at their 23rd Annual General Meeting held on August 11, 2021 approved the re-appointment of Dr. Ramesh Kancharla as Chairman and Managing Director of the Company, liable to retire by rotation, for a period of 5 years effective from August 11, 2021.

Further, the Members of the Company at their Extra-Ordinary General Meeting held on November 30, 2021, approved the remuneration of Dr. Kancharla, as detailed below, for a period of 3 years commencing from December 1, 2021 till November 30, 2024.

I	Basic Salary	₹ 50 Lakh Per Month.
II	Special Allowance	₹ 4,16,670/- Per Month
III	Perquisites and Other Entitlements	In addition to the above, Dr. Kancharla shall be entitled to allowance and benefits as per the policy of Company in force, such as: **a.** Reimbursement of Medical expenses incurred for self and family subject to limit of one month's basic salary per year. **b.** Health Insurance cover for self and family as per the Company policy. **c.** Personal Accident Insurance coverage for self as per the Company policy. **d.** Leave Travel Allowance ("LTA") once in a year for self and family subject to the maximum of one-month basic salary for every year. LTA payment is subject to the provisions of the Income Tax Act, 1961. **e.** Club membership fees subject to maximum of two clubs. **f.** Company maintained car with Chauffeur. **g.** Business Travel by First/ Business Class. **h.** Reimbursement for Mobile Phone(s)/ Telephone and Internet Connections at residence. **i.** Payment of Gratuity and other retirement benefits. **j.** Earned Leave encashment and such other benefits as may be applicable to the employees of the Company.

Since the Shareholder's approval for payment of remuneration to Dr. Kancharla is getting expired on November 30, 2024, the Board of Directors, on recommendation of Nomination & Remuneration Committee and Audit Committee, in their meeting held on May 19, 2024 approved Dr. Kancharla's remuneration as specified in the resolution no. 4 for the remaining part of his tenure as Chairman & Managing Director i.e. from December 1, 2024 till August 10, 2026.

The Board Members also decided to not to change Dr. Kancharla's remuneration and retain the same remuneration structure, as was there in the previous shareholder's resolution dated November 30, 2021. The proposed remuneration is based on Industry Standards, his experience and the role and responsibilities of Dr. Ramesh Kancharla as Chairman & Managing Director of the Company.

Brief profile of Dr. Kancharla annexed to this Notice may also be regarded as an appropriate disclosure under regulation 36(3) of the Listing Regulations and the Secretarial Standard – 2 for General Meetings issued by the Institute of Company Secretaries of India.

Further, the details as required pursuant to the provisions of schedule V of the Act are annexed to this Notice.

Dr. Adarsh Kancharla, Non-Executive Director is son of Dr. Ramesh Kancharla, Chairman and Managing Director of the Company, therefore Dr. Adarsh Kancharla may be deemed to be interested in the resolution set out in this notice.

Except Dr. Ramesh Kancharla and his relatives (to the extent of their shareholding in the Company, if any), none of the other Directors or the Key Managerial Personnel of the Company or their relatives are concerned or interested (to the extent of their shareholding in the Company, if any), financial or otherwise, in the resolution set out in this Notice.

The terms and conditions as set out in the item no.4 and this explanatory statement may also be treated as the Memorandum in writing in terms of Section 190 of the Act.

Accordingly, the Board of Directors recommend the matter and the resolution as set out under Item no. 4 for the approval of the Members by way of a Special Resolution.

ITEM NO. 5

Dr. Dinesh Kumar Chirla is one of the promoters of the Company and has been on the Board of the Company since December, 2005, Dr. Chirla is also an experienced and leading Pediatrician & Neonatologist in India and is actively involved in operations as a professional doctor.

The Members of the Company in their 23rd Annual General Meeting held on August 11, 2021 approved the re-appointment of Dr. Dinesh Kumar Chirla as a Whole-time Director of the Company, liable to retire by rotation, for a period of 5 years effective from August 11, 2021.

Further, the Members of the Company at their Extra-Ordinary General Meeting held on November 30, 2021, approved payment of remuneration by way of professional fees to Dr. Chirla, subject to a maximum limit of ₹ 50,00,000/- per month and other perquisites for a period of 3 years commencing from December 1, 2021 till November 30, 2024.

Since the Shareholder's approval for payment of remuneration by way of professional fee to Dr. Chirla is getting expired on November 30, 2024, the Board of Directors, on recommendation of Nomination & Remuneration Committee and Audit Committee, in their meeting held on May 19, 2024 approved Dr. Chirla's remuneration by way of professional fee as specified in the resolution no. 5 for the remaining part of his tenure as Whole-time Director i.e. from December 1, 2024 till August 10, 2026. The Shareholders may also take note that as a part of his role as a whole-time director, Dr. Chirla will provide his professional services exclusively to the Company, on a whole-time basis, under the overall supervision of the Company.

The Board Members also decided to not to change Dr. Chirla's remuneration and retain the same remuneration structure, as was there in the previous shareholder's resolution dated November 30, 2021. The proposed remuneration is based on Industry Standards and on the role and responsibilities of Dr. Dinesh Kumar Chirla in the Company.

Brief profile of Dr. Chirla annexed to this Notice may also be regarded as an appropriate disclosure under regulation 36(3) of the Listing Regulations and the Secretarial Standard – 2 for General Meetings issued by the Institute of Company Secretaries of India.

Further, the details as required pursuant to the provisions of schedule V of the Act are annexed to this Notice.

Except Dr. Dinesh Kumar Chirla and his relatives (to the extent of their shareholding in the Company, if any), none of the other Directors or the Key Managerial Personnel of the Company or their relatives are concerned or interested (to the extent of their shareholding in the Company, if any), financial or otherwise, in the resolution set out in this Notice.

The terms and conditions as set out in the item no.5 and this explanatory statement may also be treated as the Memorandum in writing in terms of Section 190 of the Act.

Accordingly, the Board of Directors recommends the resolution as set out under Item no. 5 for the approval of the Members by way of a Special Resolution.

ITEM NO. 6

The Board of Directors of the Company in their meeting held on May 19, 2024, on recommendation by the Audit Committee, appointed M/s. Lavanya & Associates, Sole Proprietorship Firm (Firm Reg. No: 101257), represented by Ms. K.V.N. Lavanya, Sole Proprietor (Membership No: 31069) as the Cost Auditors for the Financial Year 2024-25 at a remuneration of ₹ 2,00,000/- (Rupees Two Lakhs Only) per annum plus applicable taxes and out of pocket expenses.

As per Section 148 of Companies Act, 2013 and applicable rules 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. 6 of the Notice.

The Board considers the remuneration payable to the Cost Auditors as fair and recommends the resolution contained in Item No. 6 of the accompanying notice for approval of the members as an Ordinary Resolution.

By Order of the Board
For **Rainbow Children's Medicare Limited**

Ashish Kapil
Company Secretary and Compliance Officer
M. No: A31782

Date: May 19, 2024
Place: Hyderabad

STATEMENT REQUIRED PURSUANT TO THE PROVISIONS OF SCHEDULE V OF THE COMPANIES ACT, 2013 IS GIVEN BELOW:

I	General Information	
(1)	Nature of Industry	Healthcare Services
(2)	Date or expected date of commercial production	The Company commenced its operations in the year 1999 with its first hospital at Banjara Hills, Hyderabad.
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
(4)	Financial performance based on given indicators	(₹ in Million)
5.	Foreign Investments or collaborations, if any	The Foreign investments in the Company is 24.16% as on March 31, 2024. No foreign collaborations has been entered by the Company.

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Total Revenue	12,735.10	11,452.19	9,454.14
EBITDA	4,134.86	3,820.32	2,959.17
PAT	2,148.91	2,058.93	1,422.91

II	Information about the appointees		
	Name of Director	**Dr. Ramesh Kancharla**	**Dr. Dinesh Kumar Chirla**
(1)	Background details	As detailed below in the Brief profile table.	
(2)	Past remuneration	FY 2023-24 - ₹ 6,80,54,068/-* **Includes Leave travel allowance of ₹ 30,54,064/-*	FY 2023-24 - ₹ 3,52,37,958/-* **Includes Leave travel allowance of ₹ 12,00,000/-*
(3)	Recognition or awards	Dr. Ramesh Kancharla has been recognized with several prestigious awards, including the following: **(a)** 2017 • Lifetime Achiever of the Year in Pediatric Gastroenterology & Hepatology by Times of India and • Best healthcare professional at the Telangana's Best Healthcare Professional Awards, 2017. **(b)** 2018 - Entrepreneur of the Year award by the Sakshi Media Group. **(c)** 2022 - Lifetime Achievement Award at the Times Health Excellence Awards, 2022 for exemplary contribution to pediatric healthcare. **(d)** 2024 - Healthcare leader of year' award at the Financial Express, Healthcare award, 2024.	Dr. Dinesh Kumar Chirla has been recognized with several prestigious awards, including the following: **(a)** Awarded FRCPCH from Royal college of Paediatrics, London, UK in 2015. **(b)** Awarded FNNF in 2018 by National Neonatology Forum India.

II	Information about the appointees		
(4)	Job profile and his suitability	Dr. Ramesh Kancharla is the Chairman and Managing Director of the Company. He has over 25 years of experience with our Company. He is currently responsible for development and execution of short and long term strategies and he is also in-charge of the day to day management aspects of our Company.	Dr. Dinesh Kumar Chirla is the Whole-time Director of the Company. Dr. Chirla has over 21 years of experience as an experienced and leading Pediatrician & Neonatologist in India, he is currently overseeing Company's operations as a professional doctor in compliance with the Company's contractual and other legal obligations.
(5)	Remuneration proposed	As per the Special Resolutions under Item No. 4 & 5	
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration payable has been compared with the remuneration being drawn by similar positions in the Healthcare industry.	
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other Director, if any	Dr. Ramesh Kancharla has no pecuniary relationship directly or indirectly with the Company or its Managerial Personnel or other director except to the extent of his remuneration and shareholding in the Company. Dr. Adarsh Kancharla, Non-Executive Director is son of Dr. Ramesh Kancharla, Chairman and Managing Director of the Company.	Dr. Dinesh Kumar Chirla has no pecuniary relationship directly or indirectly with the Company or its Managerial Personnel or other Director except to the extent of his remuneration by way of professional fee and shareholding in the Company.

III	OTHER INFORMATION	
(1)	Reasons of loss or inadequate profits	Not Applicable. The Company is currently focusing on business expansion. Since the overall remuneration paid to all the managerial Personnel of the Company is well within the overall limit of 11%, however, as a matter of abundant precaution, the approval of members is proposed to be taken in compliance with the provisions of Section 197 read with Schedule V to the Companies Act, 2013. It is also noted that the Company is taking various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.
(2)	Steps taken or proposed to be taken for improvement	
(3)	Expected increase in productivity and profits in measurable terms	

The Company has not made any default in repayment of any of its debts.

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. Ramesh Kancharla	Dr. Dinesh Kumar Chirla
DIN	00212270	01395841
Date of Birth (Age in Years)	June 23, 1961 (62 Years)	December 19, 1969 (54 Years)
Date of First Appointment to the Board	August 7, 1998	December 14, 2005
Brief Resume, Qualification, Nature of Expertise and skill set require in specific functional areas	Dr. Ramesh Kancharla is one of the Promoters and Chairman & Managing Director of the Company. He holds a Bachelor of Medicine and Bachelor of Surgery ("MBBS") from Sri Venkateswara University, Tamil Nadu and a Doctor in Medicine ("MD") in paediatrics from Mangalore University, Mangaluru, Karnataka. He is a member of the Royal Colleges of Physicians of the United Kingdom. He has over 25 years of experience. Prior to setting up the Rainbow Children's Hospital, he was associated with King's College Hospital, London where he completed his specialist training in paediatric gastroenterology, hepatology and nutrition. He has been recognized with several prestigious awards, including the Lifetime Achiever of the Year in Pediatric Gastroenterology & Hepatology by Times of India in the year 2017 and the award for the best healthcare professional at the Telangana's Best Healthcare Professional Awards, 2017. In 2018, he was awarded the Entrepreneur of the Year award by the Sakshi Media Group. In 2022, he was bestowed with a Lifetime Achievement Award at the Times Health Excellence Awards, 2022 for exemplary contribution to pediatric healthcare. In 2024, he was bestowed with 'healthcare leader of year' award at the Financial Express, Healthcare award, 2024.	Dr. Dinesh Kumar Chirla is one of the promoters of the Company. Dr. Chirla is on the board of our Company since 2005. He graduated (MBBS) from Marathwada University, MD(Paediatrics) from Dr. Babasaheb Ambedkar Marathwada University and DM (Neonatology) from Bombay University. He is Member of Royal College of Paediatrics' (MRCPCH) Royal College of Paediatrics, London, UK and was included in CSST (Neonatology) from Royal College of Paediatrics, London, UK. He was awarded FRCPCH from Royal college of Paediatrics, London, UK in 2015. He was also awarded FNNF in 2018 by National Neonatology Forum India. After his training in India, he did Fellowship training Neonatology at Mercy Hospital, in Melbourne, Australia. Then moved to UK and worked as a Senior Clinical Fellow Neonatology at St. Michael's Hospital, Bristol, UK. He subsequently did Fellowship training in Paediatric Intensive care at Bristol Children Hospital, UK before returning to India. He is with Rainbow Children's Hospital from 21 years. He is the Whole-time Director of the Company and Director of Intensive Care for the Rainbow Group. He is a Gold Medallist and has numerous prizes to his credit. He has 70 Research Publications to his credit and contributed to several text books. He is also instrumental in creating Guinness book of world record of largest gathering of preterm babies under one roof and LIMCA RECORD-Saving smallest baby Cherry in south Asia (Bwt 375 grams). He created largest Neonatal and Paediatric Emergency transport Network and implementing HFOV during transport. He was Chairperson - IAP intensive Care chapter 2023 and is a VICE PRESIDENT NNFI 2024. He conducted many National and International conferences. He is a invited Faculty for many National and International Conferences including Oration. He was awarded Best Doctor award by various organisation and felicitated by organisations for his contribution.

<table>
<tr><th>Name</th><th>Dr. Ramesh Kancharla</th><th>Dr. Dinesh Kumar Chirla</th></tr>
<tr><td>Shareholding (as on the date of this Notice) in the Company either directly or in form of beneficial interest for any other person</td><td>• 3,14,94,654 Equity Shares – Directly
• 51,79,200 Equity shares through Kancharla Family Trust) (Dr. Ramesh Kancharla is the settlor and trustee of the trust)</td><td>• 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)</td></tr>
<tr><td>Relationship with other Directors & KMP’s</td><td>Dr. Adarsh Kancharla, Non-Executive Director is son of Dr. Ramesh Kancharla, Chairman and Managing Director of the Company.</td><td>None</td></tr>
<tr><td>No. of Meetings of the Board attended during the year 2023-24.</td><td>7 (Seven) Meetings</td><td>7 (Seven) Meetings</td></tr>
<tr><td>Directorships held in other Companies</td><td>• Rainbow Speciality Hospitals Private Limited
• Rainbow Children's Hospital Private Limited
• Rainbow Women & Children's Hospital Private Limited
• Nexgen Futurus Private Limited
• Rainbow Fertility Private Limited
• Rainbow Advanced Health Sciences Private Limited</td><td>• Rainbow Speciality Hospitals 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
• Rosewalk Healthcare Private Limited</td></tr>
<tr><td>Listed entities from which the person has resigned from the directorship in the past three years</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Membership/ Chairmanship of Committees of other companies</td><td><table><tr><th colspan="2">Rainbow Speciality Hospitals Private Limited</th></tr><tr><th>Name of the Committee</th><th>Designation</th></tr><tr><td>Audit Committee</td><td>Member</td></tr></table></td><td>Nil</td></tr>
<tr><td>Terms and conditions of appointment/ re-appointment and Remuneration sought to be paid/ last drawn</td><td colspan="2">Terms and conditions of appointment: Director liable to retire by rotation and as detailed in the item no. 4 & 5 of this AGM Notice.
Remuneration sought to be paid: As detailed in the item no. 4 & 5 of this AGM Notice.
Remuneration last drawn: As mentioned in the Corporate Governance Report forming part of the Annual report for financial year 2023-24.</td></tr>
</table>

By Order of the Board
For **Rainbow Children’s Medicare Limited**

Ashish Kapil
Company Secretary and Compliance Officer
M. No: A31782

Place: Hyderabad
Date: May 19, 2024

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 Hospital
It takes a lot to treat the little.

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, Karvy Lane, Road No. 11, Banjara Hills, Hyderabad - 500034, Telangana.
Website: www.rainbowhospitals.in; **E-Mail:** companysecretary@rainbowhospitals.in
Telephone No: +91 40 49692244

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

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(SIGNATURE OF THE MEMBER)

THANK YOU FOR YOUR SUPPORT. YOUR FEEDBACK IS IMPORTANT TO US.

NOTES

A Heartfelt Thank You!

Celebrating 25 years,

we express our deepest appreciation to our stakeholders. Your steadfast support and belief in our vision have driven our achievements and inspire us to continue striving for excellence in paediatric and perinatal healthcare.

Rainbow®
Children's
Hospital
It takes a lot to treat the little.

RAINBOW CHILDREN'S MEDICARE LIMITED

CIN: L85110TG1998PLC029914

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