



**P.V. RAGHAVENDRA KUMAR**

**M.Com, MFM, F.C.A., DISA (ICA)  
CHARTERED ACCOUNTANT**

## **Independent Auditor's Report**

**To the Members of Rainbow Fertility Private Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

I have audited the financial statements of Rainbow Fertility Private Limited (the "Company"), which comprise the balance sheet as at 31 March 2024, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31 March 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. I am 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 my audit of the financial statements under the provisions of the Act and the Rules thereunder, and I have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence obtained by me is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### **Other Information**

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Directors report, but does not include the financial statements and our auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the Directors report, if I conclude that there is a material misstatement I am required to report that fact to the matter to those charged with governance.

#### **Management's and Board of Directors' Responsibilities for the Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows 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.





## **Management's and Board of Directors' Responsibilities for the Financial Statements (continued)**

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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that include my 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 financial statements.

As part of an audit in accordance with SAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 my 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, I am also responsible for expressing my 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



### **Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

### **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 Section 143 (11) of the Act, I give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, I report that:
  - a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
  - b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
  - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d) In my opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 financial statements of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to us:
  - a) The Company no pending litigations as at 31 March 2024.
  - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.





(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused me to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The company neither declared nor paid any dividend during the year.

f) Based on our examination which included test checks, the company has used an ERP accounting software (SAP) for maintaining its books of account, which has a feature of recording audit trail (edit log) facility has been operating throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for certain administrative access rights in SAP software.

(C) The Company has not paid any remuneration to its directors during the current year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.



**P V Raghavendra Kumar**

Chartered Accountant

M.No.216549

UDIN: 24216549 BKAQKN2539

Place: Hyderabad

Date: 18 May 2024



**ANNEXURE A to the Independent Auditor's Report of even date on the Financial  
Statements of Rainbow Fertility Private Limited**

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of my report of even date)

(I) The company has no Property, Plant and Equipment and hence clauses (a)(i), (ii), clause (b), clause (c) and clause (d) are not applicable.

(e) According to the information and explanations given to me and on the basis of my examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.

(II) (a) The inventory has no inventory and hence this clause is not applicable.

(b) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to me and on the basis of my examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to me, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by the company. Accordingly, clause 3(vi) of the Order is not applicable.

(vii)(a) The Company does not have liability in respect of Service tax, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST.

According to the information and explanations given to me and on the basis of my examination of the records of the Company, in my opinion no amounts have been deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax and other statutory dues.





According to the information and explanations given to me and on the basis of my examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax and other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to me and on the basis of my examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix)(a) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In my opinion and according to the information and explanations given to me by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to me and on an overall examination of the balance sheet of the Company, I report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(e) and 3(ix)(f) is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi)(a) Based on examination of the books and records of the Company and according to the information and explanations given to me, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to me, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Establishment of vigil mechanism is not mandated for the Company. As represented to me by the management, there are no whistle blower complaints received by the company during the year.

(Xii) (a) According to the information and explanations given to me, the Company is not a Nidhi Company. Accordingly, clause 3(xii) (a) to 3(xii) (c) of the Order is not applicable.





(Xiii) In my opinion and according to the information and explanations given to me, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv)(a) In my opinion and based on the information and explanations provided to me, the Company does not require to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(a) and 3(xiv)(b) of the Order is not applicable.

(xv) In my opinion and according to the information and explanations given to me, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not any incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to me and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, my knowledge of the Board of Directors and management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which causes me to believe that any material uncertainty exists as on the date of the audit report that the 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. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my 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) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.



**P V Raghavendra Kumar**  
Chartered Accountant  
M.No.216549

Place: Hyderabad

Date: 18 May 2024

UDIN: 24216549 BKAQKN2539

**Annexure B to the Independent Auditors' report on the financial statements of Rainbow Fertility Private Limited for the year ended 31 March 2024.**

**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

**(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

I have audited the internal financial controls with reference to financial statements of Rainbow Fertility Private Limited as at 31 March 2024 in conjunction with the audit of the financial statements of the Company for the year ended on that date.

In my opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

**Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 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 (hereinafter referred to as "the Act").

**Auditors' Responsibility**

My responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 financial statements were established and maintained and whether such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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.





### **Auditors' Responsibility (continued)**

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

### **Meaning of Internal Financial controls with Reference to Financial Statements**

A company's internal financial controls with reference to 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 financial statements include 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 Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



**P V Raghavendra Kumar**

Chartered Accountant

M.No.216549

UDIN: 24216549BKAQKN2539

Place: Hyderabad

Date: 18 May 2024

**Rainbow Fertility Private Limited****Balance Sheet**

(All amounts are in millions of Indian Rupees, except share data and unless otherwise stated)

| Particulars                             | Note No. | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---|----------|------------------------|------------------------|
| <b>ASSETS</b>                           |          |                        |                        |
| <b>Non-current assets</b>               |          |                        |                        |
| a. Financial assets                     |          |                        |                        |
| (i) Other financial assets              | B1(a)    | -                      | 17.53                  |
| b. Income tax assets                    | B2       | 0.62                   | 0.70                   |
| Total non current assets                |          | <b>0.62</b>            | <b>18.23</b>           |
| <b>Current assets</b>                   |          |                        |                        |
| a. Financial assets                     |          |                        |                        |
| (i) Cash and cash equivalents           | B3       | 0.08                   | 0.49                   |
| (ii) Bank balances other than (i) above | B4       | -                      | 5.76                   |
| (iii) Other financial assets            | B1(b)    | 52.78                  | 26.63                  |
| Total current assets                    |          | <b>52.86</b>           | <b>32.88</b>           |
| <b>Total assets</b>                     |          | <b>53.48</b>           | <b>51.11</b>           |
| <b>EQUITY AND LIABILITIES</b>           |          |                        |                        |
| <b>EQUITY</b>                           |          |                        |                        |
| a. Equity share capital                 | B5       | 45.00                  | 45.00                  |
| b. Other equity                         | B6       | 7.70                   | 5.47                   |
|   |          | <b>52.70</b>           | <b>50.47</b>           |
| <b>LIABILITIES</b>                      |          |                        |                        |
| <b>Current liabilities</b>              |          |                        |                        |
| a. Financial liabilities                |          |                        |                        |
| (i) Trade payables                      | B7       | 0.04                   | 0.02                   |
| b. Current tax liabilities              | B8       | 0.74                   | 0.62                   |
| Total current liabilities               |          | <b>0.78</b>            | <b>0.64</b>            |
| <b>TOTAL EQUITY AND LIABILITIES</b>     |          | <b>53.48</b>           | <b>51.11</b>           |

Summary of significant accounting policies

1

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

**For and on behalf of the Board of Directors of  
Rainbow Fertility Private Limited**

**P V Raghavendra Kumar**  
Chartered Accountant  
Membership Number: 216549  
Date: 18 May 2024  
Place: Hyderabad



**Dr Ramesh Kancharla**  
Director  
DIN:00212270

**Dr Dinesh Kumar Chirila**  
Director  
DIN:01395841





**Rainbow Fertility Private Limited****Statement of Profit and Loss**

(All amounts are in millions of Indian Rupees, except share data and unless otherwise stated)

| Particulars  | Note No. | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|----------|-------------------------------------|-------------------------------------|
| <b>Income</b>  |          |                                     |                                     |
| Other income   | P1       | 3.02                                | 2.55                                |
| <b>Total Income</b>  |          | <b>3.02</b>                         | <b>2.55</b>                         |
| <b>Expenses</b>  |          |                                     |                                     |
| Finance cost   | P2       | -                                   | 0.04                                |
| Other expenses   | P3       | 0.04                                | 0.04                                |
| <b>Total expenses</b>                                      |          | <b>0.04</b>                         | <b>0.08</b>                         |
| <b>Profit before tax</b>                                   |          | <b>2.98</b>                         | <b>2.47</b>                         |
| <b>Tax expense</b>   |          |                                     |                                     |
| - Current tax  |          | 0.75                                | 0.62                                |
| - Deferred tax   |          | -                                   | -                                   |
| <b>Total tax expenses</b>                                  |          | <b>0.75</b>                         | <b>0.62</b>                         |
| <b>Profit after tax</b>                                    |          | <b>2.23</b>                         | <b>1.85</b>                         |
| <b>Other Comprehensive Income</b>                          |          |                                     |                                     |
| (i) Items that will not be reclassified to profit and loss |          | -                                   | -                                   |
| (ii) Items that will be reclassified to profit and loss    |          | -                                   | -                                   |
| <b>Other comprehensive income for the year, net of tax</b> |          | <b>-</b>                            | <b>-</b>                            |
| <b>Total Comprehensive Income for the year</b>             |          | <b>2.23</b>                         | <b>1.85</b>                         |

Earning per Equity share (Face value of share Rs.10 each)

|         |    |      |      |
|---------|----|------|------|
| - Basic | P4 | 0.50 | 0.41 |
|---------|----|------|------|


Summary of significant accounting policies

1

The accompanying notes referred to above form an integral part of the financial statements.


As per our report of even date attached.

**For and on behalf of the Board of Directors of  
Rainbow Fertility Private Limited**

  
**P V Raghavendra Kumar**  
Chartered Accountant  
Membership Number: 216549  
Date: 18 May 2024  
Place: Hyderabad



  
**Dr Ramesh Kancharla**  
Director  
DIN:00212270

  
**Dr Dinesh Kumar Chirila**  
Director  
DIN:01395841



**Rainbow Fertility Private Limited**
**Statement of Cash Flows**


(All amounts are in millions of Indian Rupees, except share data and unless otherwise stated)

| PARTICULARS  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| <b>A Cash flow from operating activities</b>                       |                                     |                                     |
| Net profit before tax and extraordinary items                      | 2.98                                | 2.47                                |
| Adjustments for:   |                                     |                                     |
| Interest income  | (3.02)                              | (2.54)                              |
| Finance cost   | -                                   | 0.04                                |
| Operating loss before working capital changes                      | (0.04)                              | (0.03)                              |
| Adjustments to working capital:                                    |                                     |                                     |
| - Decrease in Other current assets                                 | -                                   | 0.01                                |
| - Increase / (Decrease) in Trade payables                          | 0.02                                | (0.02)                              |
| Net cash from operating activities                                 | (0.02)                              | (0.04)                              |
| Income taxes paid, net   | (0.55)                              | (0.64)                              |
| Net cash flow from operating activities                            | (0.57)                              | (0.68)                              |
| <b>B Cash flow from investing activities</b>                       |                                     |                                     |
| (Investment in) / Redemption of current investments                | (1.45)                              | (0.29)                              |
| Interest received  | 1.61                                | 3.51                                |
| Net cash flow from investing activities                            | 0.16                                | 3.22                                |
| <b>C Cash flow from financing activities</b>                       |                                     |                                     |
| (Repayment of) / Proceeds from borrowings                          | -                                   | (2.10)                              |
| Net cash flow from financing activities                            | -                                   | (2.10)                              |
| Net (decrease) / increase in cash and cash equivalents [A+B+C]     | (0.41)                              | 0.44                                |
| Cash and cash equivalents at the beginning of the year             | 0.49                                | 0.05                                |
| Cash and cash equivalents at the end of the year (note a)          | 0.08                                | 0.49                                |
| <b>Notes :</b>   |                                     |                                     |
| a) Components of cash and cash equivalents                         |                                     |                                     |
| Balance with banks:  |                                     |                                     |
| - On current accounts  | 0.08                                | 0.49                                |
| - On deposit accounts (with original maturity of 3 months or less) | -                                   | -                                   |
|  | 0.08                                | 0.49                                |



The accompanying notes referred to above form an integral part of the financial statements.

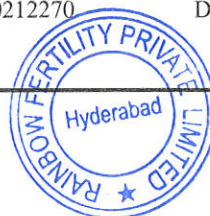
As per our report of even date attached.

For and on behalf of the Board of Directors of  
Rainbow Fertility Private Limited

  
**P V Raghavendra Kumar**  
Chartered Accountant  
Membership Number: 216549  
Date: 18 May 2024  
Place: Hyderabad



   
**Dr. Ramesh Kancharla** **Dr. Dinesh Kumar Chirla**  
Director Director  
DIN:00212270 DIN:01395841





## **Rainbow Fertility Private limited**

### **Summary of Significant Accounting Policies to Financial Statements for the year ended 31 March 2024**

#### **1. Significant accounting policies**

##### **1.1 Company overview**

Rainbow Fertility Private Limited ('the Company') was incorporated on 05 August 2019. The Company is incorporated with the objective of rendering healthcare services. The Company has not yet commenced any healthcare services.

##### **1.2 Basis of preparation**

###### **a. State of compliance:**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliance Schedule III), as applicable to the financial statements.

The financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the years presented in the 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.

The financial statements were approved by the Board of Directors and authorized for issue on 18 May 2024.

###### **b. Functional and Presentation Currency**

These 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.

###### **c. Basis of measurement**

The Financial Statements have been prepared on historical cost basis, except for certain financial assets and liabilities which are measured at fair value basis

###### **d. Use of estimates and judgements:**

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Changes in estimates are reflected in the financial estimates in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.



## **Rainbow Fertility Private limited**

### **Summary of Significant Accounting Policies to Financial Statements for the year ended 31 March 2024**

#### **e. Current / Non-current classification**

All assets and liabilities are classified into current and non-currents 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 realized 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 realized within 12 months after the reporting date; or
- iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

##### **Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- i. it is expected to be settled in the Company's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is due to be settled within 12 months after the reporting date; or
- iv. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of fresh instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

##### **Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

#### **f. 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 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





## **Rainbow Fertility Private limited**

### **Summary of Significant Accounting Policies to Financial Statements for the year ended 31 March 2024**

#### **f. Measurement of fair values (continued)**

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.

Accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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 different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

#### **1.3 Significant accounting policies**

##### **a. Financial Instruments**

##### **i. Recognition and initial measurement**

The Company initially recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.



**Rainbow Fertility Private limited**  
**Summary of Significant Accounting Policies to Financial Statements for the year ended 31 March 2024**

**ii. Classification and subsequent measurement**

**Financial assets:**

*Financial assets carried at amortized cost*

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

*Financial assets at fair value through other comprehensive income*

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

*Financial assets at fair value through profit or loss*

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

**Financial liabilities:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

**iii. Derecognition**

**Financial assets:**

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another entity.

**Financial liabilities:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

**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 realize the asset and settle the liability simultaneously.





## **Rainbow Fertility Private limited**

### **Summary of Significant Accounting Policies to Financial Statements for the year ended 31 March 2024**

#### **b. Income-tax**

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized 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 recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

##### **Deferred tax:**

Deferred tax is recognized 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 recognized 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 recognizes 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 realized. The Company has not recognized any deferred tax asset based on the concept of prudence.

#### **c. 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.

#### **d. Provisions**

A provision is recognized 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 recognized as a finance cost.



**Rainbow Fertility Private limited**

**Summary of Significant Accounting Policies to Financial Statements for the year ended 31 March 2024**

**e. 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.

**f. 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.





**Rainbow Fertility Private Limited****Notes to Financial Statements**

(All amounts are in millions of Indian Rupees, except share data and unless otherwise stated)

| PARTICULARS   | As at         | As at         |
|---|---------------|---------------|
|   | 31 March 2024 | 31 March 2023 |
| <b>B1(a). Other financial assets (non-current)</b>                                    |               |               |
| (a) Bank deposits with remaining maturity more than 12 months                         | -             | 16.73         |
| (b) Interest accrued on fixed deposits  | -             | 0.80          |
|   | -             | 17.53         |
| <b>B1(b). Other financial assets (current)</b>  |               |               |
| (a) Bank deposits with remaining maturity less than 12 months                         | 49.14         | 25.45         |
| (b) Interest accrued on fixed deposits  | 3.64          | 1.18          |
|   | 52.78         | 26.63         |
| <b>B2. Income tax assets</b>  |               |               |
| (a) TDS receivable  | 0.12          | 0.21          |
| (b) Advance income tax  | 0.50          | 0.49          |
|   | 0.62          | 0.70          |
| <b>B3. Cash and cash equivalents</b>  |               |               |
| Balances with banks   |               |               |
| - On current accounts   | 0.08          | 0.49          |
| - On deposit accounts (with original maturity of 3 months or less)                    | -             | -             |
|   | 0.08          | 0.49          |
| <b>B4. Bank balances other than cash and cash equivalents</b>                         |               |               |
| (a) Fixed deposit (with original maturity more than 3 months but less than 12 months) | -             | 5.51          |
| (b) Interest accrued on fixed deposits  | -             | 0.25          |
|   | -             | 5.76          |



**Rainbow Fertility Private Limited**
**Notes to Financial Statements**

(All amounts are in millions of Indian Rupees, except share data and unless otherwise stated)

| Particulars                           | As at<br>31 March 2024 |              | As at<br>31 March 2023 |              |
|---------------------------------------|------------------------|--------------|------------------------|--------------|
|                                       | Number                 | Amount       |                        |              |
| <b>B5. Share capital</b>              |                        |              |                        |              |
| <b>Authorised</b>                     |                        |              |                        |              |
| Equity Shares of Rs.10 each           | 50,00,000              | 50.00        | 50,00,000              | 50.00        |
| <b>Issued, Subscribed and Paid up</b> |                        |              |                        |              |
| Equity Shares of Rs.10 each           | 45,00,000              | 45.00        | 45,00,000              | 45.00        |
|                                       | <b>45,00,000</b>       | <b>45.00</b> | <b>45,00,000</b>       | <b>45.00</b> |

**Reconciliation of equity shares outstanding at the beginning and at the end of the year :**

| Particulars  | As at<br>31 March 2024 |              | As at<br>31 March 2023 |              |
|--|------------------------|--------------|------------------------|--------------|
|  | Number                 | Amount       | Number                 | Amount       |
| Equity Shares outstanding at the beginning of the year | 45,00,000              | 45.00        | 45,00,000              | 45.00        |
| Equity Shares issued during the year                   | -                      | -            | -                      | -            |
| Equity Shares bought back during the year              | -                      | -            | -                      | -            |
| Equity Shares outstanding at the end of the year       | <b>45,00,000</b>       | <b>45.00</b> | <b>45,00,000</b>       | <b>45.00</b> |

**Particulars of shareholders holding more than 5% shares :**

| Name of Shareholders  | As at<br>31 March 2024 |            | As at<br>31 March 2023 |            |
|---|------------------------|------------|------------------------|------------|
|   | No. of<br>Shares held  | Percentage | No. of<br>Shares held  | Percentage |
| Rainbow Children's Medicare Limited (formerly known as Rainbow Children's Medicare Private Limited) | 44,99,999              | 100.00%    | 44,99,999              | 100.00%    |

**Share holding pattern of Holding Company together with its subsidiaries and/or associates for the year ended :**

| Particulars                    | As at<br>31 March 2024 |         | As at<br>31 March 2023 |         |
|--------------------------------|------------------------|---------|------------------------|---------|
|                                | Equity Shares          |         | Equity Shares          |         |
|                                | Number                 | %       | Number                 | %       |
| Shares held by Holding company | 44,99,999              | 100.00% | 44,99,999              | 100.00% |
| Shares held by Nominees        | 1                      | 0.00%   | 1                      | 0.00%   |

| Particulars   | As at<br>31 March 2024 |         |                             | As at<br>31 March 2023 |         |                             |
|---|------------------------|---------|-----------------------------|------------------------|---------|-----------------------------|
|   | Equity Shares          |         |                             | Equity Shares          |         |                             |
|   | Number                 | %       | % change during<br>the year | Number                 | %       | % change during<br>the year |
| Rainbow Children's Medicare Limited (formerly known as Rainbow Children's Medicare Private Limited) | 44,99,999              | 100.00% | -                           | 44,99,999              | 100.00% | -                           |
| Dr. Dinesh Kumar Chirla (Nominee)   | 1                      | 0.00%   | -                           | 1                      | 0.00%   | -                           |






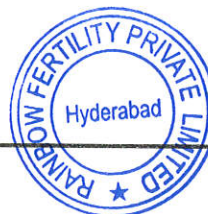
**Rainbow Fertility Private Limited****B6. Statement of Changes in Equity**

(All amounts are in millions of Indian Rupees, except share data and unless otherwise stated)

| Particulars                 | Equity share capital | Other equity     |                            | Total |
|-----------------------------|----------------------|------------------|----------------------------|-------|
|                             |                      | Retained earning | Other comprehensive income |       |
| Balance as at 01 April 2022 | 45.00                | 3.62             | -                          | 3.62  |
| Profit for the year         | -                    | 1.85             | -                          | 1.85  |
| Balance as at 31 March 2023 | 45.00                | 5.47             | -                          | 5.47  |
| Balance as at 01 April 2023 | 45.00                | 5.47             | -                          | 5.47  |
| Profit for the year         | -                    | 2.23             | -                          | 2.23  |
| Balance as at 31 March 2024 | 45.00                | 7.70             | -                          | 7.70  |

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For and on behalf of the Board of Directors of  
Rainbow Fertility Private Limited  
**P V Raghavendra Kumar**  
Chartered Accountant  
Membership Number: 216549  
Date: 18 May 2024  
Place: Hyderabad  
**Dr. Ramesh Kancharla**  
Director  
DIN:00212270  
**Dr. Dinesh Kumar Chirila**  
Director  
DIN:01395841

| <b>Rainbow Fertility Private Limited</b><br><b>Notes to Financial Statements</b><br>(All amounts are in millions of Indian Rupees, except share data and unless otherwise stated) |                                     |                                     |
|---|-------------------------------------|-------------------------------------|
| PARTICULARS   | As at<br>31 March 2024              | As at<br>31 March 2023              |
| <b>B7. Trade payables</b>   |                                     |                                     |
| (a) Statutory audit fee payable   | 0.04                                | 0.02                                |
|   | <b>0.04</b>                         | <b>0.02</b>                         |
| <b>B8. Current tax liabilities</b>  |                                     |                                     |
| (a) Provision for income tax  | 0.74                                | 0.62                                |
|   | <b>0.74</b>                         | <b>0.62</b>                         |
| PARTICULARS   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
| <b>P1. Other Income</b>   |                                     |                                     |
| Interest income on fixed Deposits   | 3.02                                | 2.54                                |
| Interest on income tax refund   | -                                   | 0.01                                |
|   | <b>3.02</b>                         | <b>2.55</b>                         |
| <b>P2. Finance Cost</b>   |                                     |                                     |
| Interest expense on ICD (refer note : 1.1)  | -                                   | 0.04                                |
|   | <b>-</b>                            | <b>0.04</b>                         |
| <b>P3. Other Expenses</b>   |                                     |                                     |
| Statutory audit fees  | 0.02                                | 0.02                                |
| Professional and consultancy  | 0.01                                | 0.01                                |
| Bank charges  | 0.00                                | 0.00                                |
| Other rates & taxes   | 0.01                                | 0.01                                |
|   | <b>0.04</b>                         | <b>0.04</b>                         |
| <b>P4. Earnings Per Share (EPS)</b>   |                                     |                                     |
| i) Profit for the year  | 2.23                                | 1.85                                |
| ii) Weighted average number of equity shares outstanding at the end of the year   | 45,00,000                           | 45,00,000                           |
| iii) Earnings per share of face value Rs. 10 - Basic (i/ii)   | 0.50                                | 0.41                                |
| iii) Face value per share   | 10                                  | 10                                  |





**Rainbow Fertility Private Limited****Notes to Financial Statements**

(All amounts are in millions of Indian Rupees, except share data and unless otherwise stated)

**1.1 Related party disclosures**

a) The following table provides the name of the related party and the nature of its relationship with the Company:

| Name of the parties   | Relationship   |
|---|--|
| Rainbow Children's Medicare Limited (formerly known as Rainbow Children's Medicare Private Limited) | Holding Company                                      |
| Dr. Ramesh Kancharla  | Key Managerial Personnel (KMP)                       |
| Dr. Dinesh Kumar Chirla   | Key Managerial Personnel (KMP)                       |
| Rainbow Women & Children's Hospitals Private Limited  | Enterprises where KMP exercise significant Influence |
| Rainbow Children's Hospitals Private Limited  | Enterprises where KMP exercise significant Influence |
| Rosewalk Healthcare Private Limited   | Enterprises where KMP exercise significant Influence |
| Rainbow Speciality Hospitals Private Limited  | Enterprises where KMP exercise significant Influence |
| Rainbow CRO Private Limited   | Enterprises where KMP exercise significant Influence |

b) Details of all transactions with related parties during the year:

| Particulars  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Interest expense on intercorporate deposit payable to Holding Company  | -                                   | 0.04                                |
| Inter corporate deposit repaid to Holding Company                      | -                                   | 1.84                                |
| Interest accrued on inter corporate deposits repaid to Holding Company | -                                   | 0.22                                |

c) Details of balances receivable from and payable to related parties are as follows:

| Particulars                                     | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---|------------------------|------------------------|
| Investments in equity shares by Holding Company | 45.00                  | 45.00                  |

d) Terms and conditions of transactions with related parties:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured.



**1.2 Additional Regulatory Information:**

It is hereby stated that clause (i) to (xvi) except clause (xiv) of paragraph L of Part I of Schedule III of the Companies Act 2013, are not applicable to the Company, since there are no circumstances prevailing either during the year or in the corresponding comparative year.

Disclosures as per clause (xiv) of the Schedule III of part I are as under :

**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              | 52.86         | 32.88         |
| Current Liabilities         | 0.78          | 0.64          |
| Ratio                       | 67.77         | 51.38         |
| % Change from previous year | 31.91%        |               |

**Reason for change more than 25%:**

This ratio has increased from 51.38 in March 2023 to 67.77 in March 2024 mainly due to increase in current portion of fixed deposits.

**b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings**

| Particulars                 | 31 March 2024 | 31 March 2023 |
|-----------------------------|---------------|---------------|
| Total debt                  | -             | -             |
| Total equity                | 52.70         | 50.47         |
| Ratio                       | -             | -             |
| % Change from previous year | NA            |               |

**Reason for change more than 25%: Not Applicable****c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments**

| Particulars                                       | 31 March 2024 | 31 March 2023 |
|---|---------------|---------------|
| Profit after tax                                  | 2.23          | 1.85          |
| Add: Non cash operating expenses and finance cost | -             | 0.04          |
| -Depreciation and amortization                    | -             | -             |
| -Finance cost                                     | -             | 0.04          |
| Earnings available for debt services              | 2.23          | 1.89          |
| Interest cost on borrowings                       | -             | 0.04          |
| Principal repayments                              | -             | 1.84          |
| Total Interest and principal repayments           | -             | 1.88          |
| Ratio   | -             | 1.01          |
| % Change from previous year                       | NA            |               |

**Reason for change more than 25%: Not Applicable****d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity**

| Particulars                 | 31 March 2024 | 31 March 2023 |
|-----------------------------|---------------|---------------|
| Net profit after tax        | 2.23          | 1.85          |
| Equity                      | 52.70         | 50.47         |
| Ratio                       | 0.04          | 0.04          |
| % Change from previous year | 15.44%        |               |

**Reason for change more than 25%: Not Applicable****e) Inventory Turnover Ratio = Cost of goods sold divided by closing inventory**

| Particulars                 | 31 March 2024 | 31 March 2023 |
|-----------------------------|---------------|---------------|
| Cost of Goods sold          | NA            | NA            |
| Closing Inventory           | NA            | NA            |
| Inventory Turnover Ratio    | NA            | NA            |
| % Change from previous year | NA            | NA            |

**Reason for change more than 25%: Not Applicable****f) Trade Receivables turnover ratio = Credit Sales divided by Closing trade receivables**

| Particulars                 | 31 March 2024 | 31 March 2023 |
|-----------------------------|---------------|---------------|
| Credit Sales                | NA            | NA            |
| Closing Trade Receivables   | NA            | NA            |
| Ratio                       | NA            | NA            |
| % Change from previous year | NA            | NA            |

**Reason for change more than 25%: Not Applicable****g) Trade payables turnover ratio = Credit purchases divided by closing trade payables**

| Particulars                 | 31 March 2024 | 31 March 2023 |
|-----------------------------|---------------|---------------|
| Credit Purchases            | NA            | NA            |
| Closing Trade Payables      | NA            | NA            |
| Ratio                       | NA            | NA            |
| % Change from previous year | NA            | NA            |

**Reason for change more than 25%: Not Applicable**



1.2 Additional Regulatory Information (continued) :

h) Net capital Turnover Ratio = Sales divided by Working capital whereas working capital= current assets - current liabilities

| Particulars                 | 31 March 2024 | 31 March 2023 |
|-----------------------------|---------------|---------------|
| Sales                       | NA            | NA            |
| Working Capital             | NA            | NA            |
| Ratio                       | NA            | NA            |
| % Change from previous year | NA            | NA            |

Reason for change more than 25%: Not Applicable

i) Net profit ratio = Net profit after tax divided by Sales

| Particulars                 | 31 March 2024 | 31 March 2023 |
|-----------------------------|---------------|---------------|
| Net profit after tax        | NA            | NA            |
| Sales                       | NA            | NA            |
| Ratio                       | NA            | NA            |
| % Change from previous year | NA            | NA            |

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 tax (A)                                  | 2.98          | 2.47          |
| Finance Costs (B)                                      | -             | 0.04          |
| Other Income (C)                                       | 3.02          | 2.55          |
| EBIT (D) = (A)+(B)-(C)                                 | (0.04)        | (0.04)        |
| Capital Employed (Pre Cash) (J)=(E)-(F)-(G)-(H)-(I)    | 52.62         | 44.22         |
| Total Assets (E)                                       | 53.48         | 51.11         |
| Current Liabilities (F)                                | 0.78          | 0.64          |
| Current Investments (G)                                | -             | -             |
| Cash and Cash equivalents (H)                          | 0.08          | 0.49          |
| Bank balances other than cash and cash equivalents (I) | -             | 5.76          |
| Ratio (D)/(J)  | (0.00)        | (0.00)        |
| % Change from previous year                            | -15.96%       |               |

Reason for change more than 25%: Not Applicable

**Additional Information:** It is also stated that clauses (l), (m) and (n) of paragraph 7 of Schedule III of part 2 of the Act are not applicable to the company for the time being since there are no circumstances prevailing as mentioned in the above clauses either during the year or in the corresponding comparative year.

1.3 Audit Trail

The Company has used ERP accounting software( SAP) 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 using administrative access rights to the SAP application.


1.4 The MCA wide notification dated 24 March 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures. Amendments are applicable from 01 April 2021. The Company has incorporated the changes as per the said amendment in the financial statements from the said date.

**Other Statutory Information:**

- 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.
- The Company do not have any transactions with companies struck off.
- The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory year.
- The Company has not been declared a wilful defaulter by any bank or financial institution or any other lender during the current year.
- 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:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 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:
  - 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.
- 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.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 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.

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

  
P V Raghavendra Kumar  
Chartered Accountant  
Membership Number: 216549  
Date: 18 May 2024  
Place: Hyderabad



For and on behalf of the Board of Directors of  
Rainbow Fertility Private Limited

  
Dr Ramesh Kancharla  
Director  
DIN:00212270

  
Dr Dinesh Kumar Chirila  
Director  
DIN:01395841

