

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 24th 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, 2022.

FINANCIAL RESULTS

The Financial performance of your Company for the financial year ended March 31, 2022 is summarized below:

(in ₹ million)

Particulars	Year ended March 31, 2022 (Consolidated)	Year ended March 31, 2021 (Consolidated)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Standalone)
Total Income	9,926.95	6,603.10	9,454.14	6,264.02
Total Expenses	8,053.49	6,046.14	7,556.70	5,605.09
Profit/(Loss) before Tax (PBT)	1,873.46	556.96	1,897.44	658.93
Profit/(Loss) after Tax (PAT)	1,386.73	395.68	1,422.91	494.14

1. FINANCIAL PERFORMANCE

I. Consolidated Performance

During the year under review, the consolidated income of the Company increased to ₹ 9,926.95 million compared to ₹ 6,603.10 million in the previous year, registering growth of 50%. Net profit after tax increased to ₹ 1,386.73 million from ₹ 395.68 million representing a growth of 250%.

II. Standalone Performance

During the year under review, the standalone income of the Company increased to ₹ 9,454.14 million compared to ₹ 6,264.02 million in the previous year, registering growth of 51%. The standalone Net profit after tax for the year increased by 188% to ₹ 1,422.91 million compared to ₹ 494.14 million in the previous year.

2. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of your Company for the Financial Year 2021-22, are prepared in compliance with applicable provisions of the Companies Act, 2013 (**"the Act"**), Indian Accounting Standards and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**). The consolidated financial statements have been prepared on the basis of audited financial statements of the Company and its Subsidiaries, as approved by their respective Board of Directors.

3. DIVIDEND

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

Date of Declaration	Dividend Type	Dividend Per Equity Share and Preference Share
August 11, 2021	Final Dividend	₹ 2/-*

* Additionally a Preferential dividend of ₹ 55.05/- and ₹ 54.40/- was paid to 0.0001% Series A Compulsorily Convertible Preference Share ("Series A CCPS") and 0.0001% Series B Compulsorily Convertible Preference Share ("Series B CCPS") holders respectively.

Your Directors are pleased to recommend dividend of ₹ 2/- per Equity Share of face value of ₹ 10/- each as Final Dividend for the Financial Year 2021-22, for approval by the shareholders at the ensuing Annual General Meeting (**"AGM"**) of the Company.

The Dividend Distribution Policy of the Company is available at the website of the Company at:

https://www.rainbowhospitals.in/investor-relations/reports/Dividend_Distribution_Policy.pdf

4. TRANSFER TO RESERVES

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

5. CONVERSION INTO A PUBLIC LIMITED COMPANY

Your Board of Directors in their meeting held on October 22, 2021 approved the conversion of the Company into a Public Limited Company. Further the shareholders of the Company approved the proposal for such conversion in their Extra-Ordinary General Meeting held on November 3, 2021.

The Registrar of Companies Hyderabad at Telangana ("**RoC**"), approved the conversion and issued a new Certificate of Incorporation dated November 20, 2021 to this effect.

Your Company, therefore, became a Public Limited Company with effect from November 20, 2021.

6. INITIAL PUBLIC OFFER

Subsequent to the year under review, the Company has successfully completed its Initial Public Offering ("**IPO**") in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, wherein 51,67,679 Equity Shares were issued through a fresh issue and 24,000,900 Equity Shares through offer for sale. The IPO comprised of a fresh issue of ₹ 2,800 million and an offer for sale of ₹ 13,008.49 million by the selling shareholders.

The public issue was opened on April 27, 2022 and closed on April 29, 2022 at an offer price of ₹ 542*/- per Equity Share (including a share premium of ₹ 532/- per Equity Share). The Company's IPO received an overwhelming response and was oversubscribed by 12.43 times, reflecting a huge investor appetite for the issue. The Equity Shares were allotted on May 6, 2022 at an offer price of ₹ 542*/- per Equity Share to the respective applicants under various categories. The Equity Shares of the Company were listed on the National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**") (collectively referred to as "Stock Exchanges") on May 10, 2022.

**A discount of ₹ 20 per Equity Share was offered to the Eligible Employees bidding in the Employee Reservation Portion.*

In accordance with objects of the offer, the Company has utilised ₹ 400 million from the IPO proceeds for early redemption of Non-Convertible Debentures, in full.

7. CHANGES IN SHARE CAPITAL

I. Increase in Authorized Share Capital

Pursuant to the Shareholders Resolution dated October 20, 2021 the Authorized Share Capital of our Company was increased from ₹ 70,00,00,000 divided into (a) 5,90,55,616 Equity Shares of ₹ 10/- each, (b) 11,46,771 - Series A 0.0001% Compulsorily

Convertible Preference Shares ("**Series A CCPS**") of ₹ 48/- each and (c) 11,33,309 Series B 0.0001% Compulsorily Convertible Preference Shares ("**Series B CCPS**") of ₹ 48/- each to ₹ 150,00,00,000 divided into (a) 13,90,55,616 Equity Shares of ₹ 10/- each (b) 11,46,771 - Series A 0.0001% Compulsorily Convertible Preference Shares ("**Series A CCPS**") of ₹ 48/- each and (c) 11,33,309 Series B 0.0001% Compulsorily Convertible Preference Shares ("**Series B CCPS**") of ₹ 48/- each.

II. Increase in Paid-up Share Capital

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

- Allotment of 19,28,000 Equity Shares of ₹ 10/- each through the Rights Issue on October 22, 2021;
- Allotment of 4,81,67,004 Equity Shares of ₹ 10/- each through Bonus Issue in the ratio of one new Equity Share for every one Equity Share and every one Preference Share held, on December 1, 2021.

Subsequent to the year under review:

- Allotment of 22,80,080 Equity Shares on April 4, 2022 on account of conversion of (i) 11,46,771 0.0001% Series A Compulsorily Convertible Preference Shares of face value of ₹ 48/- each into 11,46,771 Equity Shares of ₹ 10/- each and (ii) 11,33,309 0.0001% Series B Compulsorily Convertible Preference Shares of face value of ₹ 48/- each into 11,33,309 Equity Shares of ₹ 10/- each, at a conversion ratio of 1:1 as per the terms of the Restated Shareholder's Agreement dated March 29, 2016 and as amended thereafter, ranking pari passu with the existing Equity Shares.
- Allotment of 51,67,679 Equity Shares of ₹ 10/- under the IPO on May 6, 2022;

As a result of above, the paid-up share capital of the Company increased from ₹ 54,90,33,080 divided into (a) 4,39,58,924 Equity Shares of ₹ 10/- each. (b) 11,46,771 - Series A 0.0001% Compulsorily Convertible Preference Shares ("**Series A CCPS**") of ₹ 48/- each, and (c) 11,33,309 Series B 0.0001% Compulsorily Convertible Preference Shares ("**Series B CCPS**") of ₹ 48/- each to ₹ 101,50,16,870 divided into 10,15,01,687 Equity Shares of ₹ 10/- Each.

8. REDEMPTION OF NON-CONVERTIBLE DEBENTURES (NCDs)

Subsequent to the year under review, on June 9, 2022, your Company has redeemed NCDs of ₹ 400 million issued to CDC Emerging Markets Limited, in full.

9. EMPLOYEES STOCK OPTION PLAN /SCHEME

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 20,49,660 Equity Shares. The ESOP Scheme is administered by the Nomination and Remuneration Committee. As on the date of this Board’s Report, the Company has not granted any options under ESOP Scheme.

Applicable disclosure as stipulated under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 with regard to the ESOP Scheme is available on the Company’s website at [https://www.rainbowhospitals.in/investor-relations/reports/Information%20as%20per%20SEBI%20\(SBEB\)%20Regulations-%20FY%2022.pdf](https://www.rainbowhospitals.in/investor-relations/reports/Information%20as%20per%20SEBI%20(SBEB)%20Regulations-%20FY%2022.pdf)

10. SUBSIDIARIES

A report on the performance and financial position of each of the subsidiaries for the financial year ended March 31, 2022 in prescribed form AOC -1 as per the Companies Act, 2013 is set out in **Annexure- 1** and forms an integral part of this Annual 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 under investors section on the website of the Company at <https://www.rainbowhospitals.in/investor-relations/#>

The Company has formulated a policy for determining material subsidiaries. The said policy is also available on the website of the Company at: <https://www.rainbowhospitals.in/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, 2022 and as on the date of report.

12. PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 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 provided in the 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

Dr. Ramesh Kancharla (DIN: 00212270), Chairman & Managing Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting (“**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 reappointment. Appropriate resolution for his re-appointment is being placed for the approval of the Members of the Company at the ensuing AGM.

A brief profile of Dr. Kancharla and other related information is detailed in the Notice convening the 24th 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 approval.

During the year under review, the Members of the Company, at their Annual General Meeting held on August 11, 2021 approved Re-appointment(s) of Dr. Ramesh Kancharla (DIN: 00212270), as Chairman & Managing Director and Dr. Dinesh Kumar Chirila (DIN: 01395841) as a Whole-time Director for a term of 5 (five) consecutive years w.e.f. August 11, 2021.

Further, the Members of the Company, at their Extra Ordinary General Meeting held on October 20, 2021 approved appointment of Ms. Sundari R. Pisupati (DIN:01908852) as an Independent Director on the Board of the Company for a term of Five (5) consecutive years commencing from September 16, 2021, not liable to retire by rotation.

The Members of the Company, at their Extra Ordinary General Meeting held on November 3, 2021 also approved appointment of Mr. Santanu Mukherjee (DIN: 07716452) as an Independent Director on the Board of the Company for a term of Five (5) consecutive years commencing from October 22, 2021, not liable to retire by rotation.

During the year under review, Mr. Yugandhar Meka (DIN: 00012265) resigned as Independent Director of the Company w.e.f. September 16, 2021. Further, Mr. Ashish Ahluwalia (DIN: 03514036) and Mr. Nagarajan Srinivasan (DIN: 01480303) resigned as Nominee Director(s) w.e.f. December 9, 2021 consequent to withdrawal of their nomination by M/s British International Investment plc (formerly known as CDC Group plc).

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 Obligations and Disclosure Requirements) Regulations, 2015. 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 Obligations and Disclosure Requirements) Regulations, 2015 and are independent from Management. The Independent Directors are persons of high repute, integrity and possess the relevant expertise and experience 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 Sections 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, 2022.

1. Dr. Ramesh Kancharla - Chairman and Managing Director;
2. Dr. Dinesh Kumar Chirla - Whole Time Director;
3. Mr. R Gowrisankar - Chief Financial Officer; and

4. Mr. Ashish Kapil - Company Secretary and Compliance Officer.

During the year under review, Ms. Pratusha Channamalla was appointed as Company Secretary (Key Managerial Personnel) of the Company w.e.f. September 1, 2021. Thereafter, Ms. Channamalla resigned from the post of Company Secretary (Key Managerial Personnel) of the Company w.e.f. October 22, 2021.

Further, the Board of Directors, on the recommendation of Nomination and Remuneration Committee, at their meeting held on October 22, 2021 appointed Mr. Ashish Kapil as Company Secretary and Compliance Officer (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 Obligations and Disclosure Requirements) Regulations, 2015.

16. BOARD'S EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and Individual Directors pursuant to the provisions of Companies Act, 2013.

A structured questionnaire was prepared after taking into consideration the inputs received from Nomination and Remuneration Committee, covering 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. The performance evaluation of Non-Independent Directors, Board as a whole and the Chairman of the Board was evaluated in a separate meeting of Independent Directors.

The feedback and results of the questionnaire were collated and consolidated report was shared with the Board for improvements of its effectiveness. 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 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, Senior Management and their remuneration.

The Nomination and Remuneration Policy is set out as **Annexure- 3** and forms an integral part of this Annual Report and can also be accessed at the website of the Company 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 Nine (9) times during the Financial Year 2021-22. The details of the meetings of the Board and Committees 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, 2022, 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, 2022 and of the profit of the Company for the Financial Year ended March 31, 2022;
- 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 20th AGM, approved the appointment of M/s. B S R & Associates LLP, Chartered Accountants (Firm Registration No. 116231W/W-100024), as the Statutory Auditors, for

a period of five (5) years i.e. from the conclusion of the 20th AGM held on July 19, 2018 till the conclusion of 25th AGM of the Company.

The Statutory Auditors M/s. B S R & Associates LLP, Chartered Accountants, have confirmed that they have not been disqualified to act as Statutory Auditors of the Company and that their continuation 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, 2022, does not contain any qualification, reservation or adverse remark.

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 and maintained for the financial year 2021-22.

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 2022-23 at a fee of ₹ 1,50,000/- (Rupees One Lakh and Fifty Thousand only) plus applicable taxes and out of pocket expenses subject to the ratification of the said fees by the shareholders at the ensuing AGM.

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. BS & Company Company Secretaries LLP ("**Secretarial Auditors**") to conduct the Secretarial Audit of your Company for the Financial Year 2021-22.

The Secretarial Audit Report for the Financial Year ended March 31, 2022 is annexed herewith as **Annexure-4** and forms an integral part of this Annual Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

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://rainbowhospitals.in/investor-relations/reports/Draft%20Annual%20Return%20FY%202021-22.pdf>

22. RELATED PARTY TRANSACTIONS

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for Financial Year 2021-22 and hence does not form part of this report.

In compliance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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>

23. LOANS AND INVESTMENTS

Details of Loans, Guarantees given and Investments made by the Company during Financial Year 2021-22 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, details of Investments are set out in Note No. 2.2 and details of Loans are set out in Note 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 systemic 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. 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 Obligations and Disclosure Requirements) Regulations, 2015, 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 committee and disclosure as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached and marked as **Annexure – 5** 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 Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "**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 REPORT

The Business Responsibility Report, as stipulated under Regulation 34 (2) (f) of the 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 Securities and Exchange Board of India. Separate report on Corporate Governance, forms an integral part of this Annual Report.

A certificate from M/s. BS & Company Company Secretaries LLP, Secretarial Auditors 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, one complaint was received by the ICC and the same was resolved.

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

- Switching to LED light fixtures.
- Upgrade/replacement of equipment.
- Solar Power Generation Capacity has been enhanced;
- AC temperatures fixed at 23 degrees for nonclinical Areas;

- Usage of Energy efficient equipment at all levels;
- Optimal utilization of solar energy for light and Water heating (installed solar Energy on the rooftop of 6 of our units);
- Efficient Chillers, DG sets, and Pumps have been installed for New Projects;
- Building Management System (BMS) in place for efficient HVAC operations;
- Variable Frequency Drives ("VFD") have been installed to conserve energy across Hospitals;

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 ₹ 5.13 Million as capital investment on various energy conservation initiatives like Solar Heating System, LED Lights Fixtures, Motion Sensors, Variable Frequency Drives and Heat Pumps.

B. Technology Absorption:

i. Technology Absorption, Adaptation & Innovation:

1) Efforts made towards technology absorption:

- Implementation of QR based facility management application to digitalise the everyday functions of Engineering and Maintenance team with an overall objective to bring quantitative and qualitative benefits.
- Variable Frequency Drives (VFDs) have been used in Chillers and critical AHUs.
- Rain Water Harvesting Pits have been provided to conserve rainwater and improve the water table.
- Recirculation of treated water to reduce water wastage
- Solar rooftops and Eco-Friendly STPs
- Aerators to reduce water wastage
- Registration of all new projects for Green Building accreditations.

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) Imported technology (imported during the last three years reckoned from the beginning of the FY 2021-22): None

4) Expenditure incurred on Research and Development:

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

C. Foreign exchange earnings and outgo

S. No.	Particulars	Amount (In ₹ Million)
1	Foreign Exchange Earnings	3.36
2	Foreign Exchange Outgo	16.74

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.

During Financial Year 2021-22, 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: August 8, 2022

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, 2022	% of Holding	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments (in subsidiaries)#	Turn-over	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	-0.14	0.05	0.09	-	-	-0.04	-	-0.04	-
2	Rainbow Speciality Hospitals Private Limited	30/11/2010	India	INR	1	78.81%	180	-16.68	363.92	200.60	142.51	298.29	32.16	11.54	20.62	-
3	Rainbow Women & Children's Hospital Private Limited	13/12/2010	India	INR	1	100%	0.10	-0.67	0.09	0.66	-	-	-0.08	-	-0.08	-
4	Rosewalk Healthcare Private Limited	18/12/2018	India	INR	1	100%	43.17	-389.33	179.53	525.69	12.24 1.86*	211.93	-58.4	-	-58.4	-
5	Rainbow Fertility Private Limited	05/08/2019	India	INR	1	100%	45.00	3.62	51.32	2.7	45.00	-	2.41	0.65	1.76	-
6	Rainbow C R O Private Limited	14/11/2019	India	INR	1	100%	0.10	-0.23	0.02	0.16	0.10	-	-0.04	-	-0.04	-

* Debentures

Investments are net off Impairment

The reporting period for all the subsidiaries is March 31, 2022.

Part "B": Associates and Joint Ventures:

As on March 31, 2022 the Company had 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 Chirala
 Whole-Time Director
 DIN: 01395841

R. Gowrisankar
 Chief Financial Officer

Ashish Kapil
 Company Secretary & Compliance Officer

Place: Hyderabad
 Date: August 8, 2022

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, 2022.

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	219
2.	Dr. Dinesh Kumar Chirla	Whole-time Director	129*
3.	Prof. Anil Dhawan	Independent Director	6
4.	Mr. Aluri Srinivasa Rao	Independent Director	6
5.	Ms. Sundari R. Pisupati ¹	Independent Director	4
6.	Mr. Santanu Mukherjee ²	Independent Director	4
7.	Mr. Yugandhar Meka ³	Independent Director	2
8.	Mr. Nagarajan Srinivasan ⁴	Nominee Director	NIL
9.	Mr. Ashish Ahluwalia ⁴	Nominee Director	NIL

* includes professional fee also

¹ Ms. Sundari R. Pisupati was appointed as Independent Director on the Board w.e.f. September 16, 2021.

² Mr. Santanu Mukherjee was appointed as Independent Director on the Board w.e.f. October 22, 2021.

³ Mr. Yugandhar Meka resigned as Independent Director from the Board w.e.f. September 16, 2021.

⁴ Mr. Nagarajan Srinivasan and Mr. Ashish Ahluwalia resigned as Nominee Director(s) from the Board w.e.f. December 9, 2021.

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	(23.15)
2.	Dr. Dinesh Kumar Chirla	Whole-time Director	42.62
3.	Prof. Anil Dhawan	Independent Director	142.86
4.	Mr. Aluri Srinivasa Rao	Independent Director	103.33
5.	Ms. Sundari R. Pisupati ¹	Independent Director	# Not Applicable
6.	Mr. Santanu Mukherjee ²	Independent Director	# Not Applicable
7.	Mr. Yugandhar Meka ³	Independent Director	(25)
8.	Mr. Nagarajan Srinivasan ⁴	Nominee Director	NIL
9.	Mr. Ashish Ahluwalia ⁴	Nominee Director	NIL
10.	Mr. R Gowrisankar	Chief Financial Officer	10
11.	Mr. Ashish Kapil ⁵	Company Secretary & Compliance Officer	# Not Applicable
12.	Ms. Pratusha Channamalla ⁶	Company Secretary	# Not Applicable

¹ Ms. Sundari R. Pisupati was appointed as Independent Director on the Board w.e.f. September 16, 2021.

² Mr. Santanu Mukherjee was appointed as Independent Director on the Board w.e.f. October 22, 2021.

³ Mr. Yugandhar Meka resigned as Independent Director from the Board w.e.f. September 16, 2021.

⁴ Mr. Nagarajan Srinivasan and Mr. Ashish Ahluwalia resigned as Nominee Directors from the Board w.e.f. December 9, 2021

⁵ Mr. Ashish Kapil was appointed as Company Secretary & Compliance officer w.e.f. October 22, 2021.

⁶ Ms. Pratusha Channamalla was appointed as Company Secretary w.e.f. September 1, 2021, thereafter, Ms. Channamalla resigned from the post of Company Secretary of the Company w.e.f. October 22, 2021

#Employed/Associated for part of the year. Hence, % increase in remuneration is not applicable.

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 14.25.

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, 2022 is **2541**.

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 12.67%. The above table contain the details of remuneration paid to the managerial personnel. The remuneration paid to managerial personnel is basis prevailing market trends, Company Performance and overall responsibility matrix and the same is in line with the resolutions approved by the Board of Directors and/or Shareholders.

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

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

For and on behalf of Board of Directors

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Place: Hyderabad

Date: August 8, 2022

ANNEXURE-3

NOMINATION AND REMUNERATION POLICY

1. Introduction:

The Nomination & Remuneration Policy (“**Policy**”) of Rainbow Children’s Medicare Limited (“**RCML**” or “**Company**”) is formulated under the requirements of applicable laws, including the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“**Listing Regulations**”).

The Policy is intended to set out criteria to pay equitable remuneration to the Directors, Key Managerial Personnel (KMP), senior management (as defined below) and other employees of the Company and to harmonise the aspirations of human resources with the goals of the Company.

2. Objective and Purpose:

The objectives and purpose of this Policy are:

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director (executive/non-executive/independent) of the Company (“**Director**”);
- To recommend policy relating to the remuneration of the Directors, KMP and Senior Management/Other Employees to the Board of Directors of the Company (“**Board**”); and
- This includes 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.

3. Constitution of the Nomination and Remuneration Committee:

The Board has constituted the “Nomination and Remuneration Committee” on October 22, 2021. This is in line with the requirements under the Companies Act, 2013 (“**Act**”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. This Policy and the Nomination and Remuneration Committee Charter are integral to the functioning of the Nomination and Remuneration Committee and are to be read together.

The Board has authority to reconstitute this Committee from time to time. Membership of the Committee shall be disclosed in the Annual Report. The terms of the Committee shall be continuing unless terminated by the Board of Directors.

4. Definitions:

- a. ‘**Board**’ means Board of Directors of the Company.
- b. ‘**Directors**’ means directors of the Company.
- c. ‘**Committee**’ means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable Listing Regulations.
- d. ‘**Company**’ means Rainbow Children’s Medicare Limited.
- e. ‘**Independent Director**’ means a Director referred to in Section 149(6) of the Companies Act, 2013 and rules.
- f. ‘**Key Managerial Personnel (KMP)**’ means-
 - i) the Managing Director or Chief Executive Officer or manager
 - ii) Whole-time Director
 - iii) the Company Secretary;
 - iv) the Chief Financial Officer; and
 - v) Any other person as defined under the Companies Act, 2013 from time to time.
- g. **Senior Management Personnel** shall mean officers/personnel of the Company who are members of its core management team excluding Board of Directors and normally this shall comprise of all members of management one level below the executive Directors, including all functional heads.

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Companies Act, 2013 and Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

5. General:

This Policy is divided in three parts: -

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;

Part – B covers the appointment and removal of Directors, KMP and Senior Management; and

Part – C covers remuneration for Directors, KMP and Senior Management.

Part – A:

Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The following matters shall be dealt with by the Committee: -

(a) Size and composition of the Board:

Periodically reviewing the size and composition of the Board to have an appropriate mix of executive and independent Directors to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company;

(b) Directors:

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommend candidates to the Board when circumstances warrant the appointment of a new Director, having regard to qualifications, integrity, expertise and experience for the position.

(c) Succession plans:

Establishing and reviewing Board, KMP and Senior Management succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.

(d) Evaluation of performance:

- (i) Make recommendations to the Board on appropriate performance criteria for the Directors.
- (ii) Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company or engage with a third-party facilitator in doing so.
- (iii) Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

(e) Board diversity:

The Committee is to assist the Board in ensuring the Board nomination process is in line with the diversity policy of the Board relating to gender, thought, experience, knowledge and perspectives.

(f) Remuneration framework and policies:

The Committee is responsible for reviewing and making recommendations to the Board on:

- a. Remuneration of executive Directors to be presented for shareholders' approval including severance, if any.
- b. Individual and total remuneration of non-executive Directors and the chairperson (if non- executive), including any additional fees payable for membership of Board committees;
- c. the remuneration and remuneration policies for KMP and Senior Management including base pay, incentive payments, equity awards, retirement rights, severance pay if any and service contracts having regard to the need to:
 - (i) attract and motivate talent to pursue the Company's long-term growth;
 - (ii) demonstrate a clear relationship between executive compensation and performance;
 - (iii) be reasonable and fair, having regard to best governance practices and legal requirements and
 - (iv) balance between fixed and incentive pay reflecting short and long-term performance objectives as appropriate for the Company and its goals

- d. the Company's incentive compensation and equity-based plans including a consideration of performance thresholds and regulatory and market requirements.

PART – B

Policy for appointment and removal of Directors, KMP and Senior Management

(a) Appointment criteria and qualifications:

1. The Committee shall ascertain the integrity, qualification, expertise and experience of the person identified for appointment as Director, KMP or Senior Management and recommend to the Board his/her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
2. A person to be appointed as Director, KMP or Senior Management should possess adequate qualification, expertise and experience for the position he / she is considered for.
3. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth and complementary skills in relation to the other Board members.
4. The Company shall not appoint or continue the employment of any person as Managing Director / executive Director who has attained the age of seventy years and shall not appoint Independent Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years as the case may be.
5. A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

(b) Term / Tenure

1. Managing Director / Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves, is restricted to applicable regulations in force.

(c) Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

(d) Retirement:

The Directors, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Directors, KMP and Senior Management in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

PART – C

Policy relating to the remuneration for Directors, KMP and Senior Management/Other Employees

(a) General:

1. The remuneration / compensation / commission etc. to be paid to Directors will be determined by the Committee and recommended to the Board for approval.
2. The remuneration and commission to be paid to the Managing Director/Whole-time Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director/ Whole-time Director.
4. Where any insurance is taken by the Company on behalf of its Directors, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

(b) Remuneration to KMP and Senior Management:

The pay program for KMP and Senior Management has been designed around three primary pay components: Base/ Fixed Pay and Performance Bonus and Stock Incentives. These three components together constitute the “Total Rewards” of the KMP and Senior Management.

1. Base/ Fixed pay:

It is guaranteed pay and paid periodically, usually monthly or bi-monthly or as per payroll policy by Company.

2. Performance Bonus:

Cash bonus, payable on the achievement of objective and quantifiable key performance indicators (KPI) as established by the Committee.

3. Stock Incentives:

Stock or Equity based incentives can be either time based or performance-based equity grants. Time based stock incentives, in the form of Restricted Stock Units (RSUs) or/and stock options, are vested based on continuation of service. Performance based stock incentives, in the form of Stock Options and/or RSUs, vest upon the achievement of certain performance parameters. The stock incentives are governed by the Company's Stock Plans as approved by the shareholders or any other plans as may be amended.

The total rewards for KMP and Senior Management is designed to ensure their continued alignment with organizational goals. The Committee aims to ensure that KMP and Senior Management pay is reflective of market pay, consisting of a mix of base/ fixed pay performance bonus and stock incentives. The emphasis on stock incentives ensures alignment with shareholders' interests, through a continued focus on the Company's sustainable, long term performance.

(c) Remuneration to other employees:

The compensation for other employees would be as per the compensation policy of the Company, as revised through the annual compensation review process from time to time and approved by the Managing Director and Chief Operating Officer, in consultation with the Head- HR.

(d) Minimum remuneration to Whole-time Directors:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors in accordance with the provisions of Schedule V of the Companies Act, 2013.

(e) Remuneration to Non-Executive / Independent Directors:

- i. Remuneration: The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made there under.
- ii. Stock incentive: The Independent Directors shall not be entitled to any stock incentive of the Company.
- iii. The remuneration to the Non-executive Directors (including Independent Directors) are entitled to sitting fees as determined by Board from time to time for attending Board / Committee meetings thereof and approved by

shareholders, subject to the limit not exceeding the amount computed as per the applicable provisions of the Companies Act, 2013.

Profit-linked Commission:

The profit-linked commission shall be paid within the monetary limit approved by the shareholders of the Company subject to the same not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act. Profit linked commission would comprise of a fixed component and variable component and will be determined by the Board for each financial year.

6. Policy on Board diversity:

The Board shall comprise of Directors having expertise in different areas / fields like Finance, Sales and Marketing, Banking, Engineering, Human Resource management, etc. or as may be considered appropriate. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge.

The Board shall have atleast one Board member who has accounting or related financial management expertise and atleast one women director.

7. Changes amongst Directors, Key Managerial Personnel:

The Committee may recommend to the Board, changes in Board or Key Managerial Personnel subject to the provisions of the Act, Listing Regulations and applicable Company's policies i.e., Rules and Regulations of Service, Code of Business Conduct and Principles of legal compliance framed and adopted by the Company from time to time. The Key Managerial Personnel shall superannuate as per the applicable provisions of the regulations and prevailing policy of the Company. The Board of Directors will have the discretion to retain the Key Managerial Personnel in the same position / remuneration or revised remuneration after attaining the date of superannuation for organisational development reasons.

8. Minutes of Committee Meeting:

The Proceedings of all the "Nomination & Remuneration Committee" meetings must be minuted and signed by the Chairman of the Committee. The minutes of the Committee meetings will be tabled at the subsequent Board and Committee meetings.

9. Policy review:

- (a) This Policy is framed based on the provisions of the Companies Act, 2013 and rules there under and the requirements of Listing Regulations with the Stock Exchanges.
- (b) In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.
- (c) This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification to the policy as recommended by the Committee would be placed before the Board of Directors for their approval.

ANNEXURE-4

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, 2022

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 referred to as 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, 2022** 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, 2022**, 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; to the extent applicable to the Company during the audit period
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; to the extent applicable to the Company during the audit period
- (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') are not applicable as the shares of the Company are not listed with any of the Stock Exchanges except for point c below:-
 - (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 to the extent applicable to the Company during the audit period;
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (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; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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; **(Not Applicable)**

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 was 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 following are the major Events:

1. The Company has issued 19,28,000 Equity Shares on Rights Issue Basis
2. The Status of the Company was Changed from Private to Public Limited.
3. The Company in its Annual general Meeting has approved the borrowing limits up to ₹ 150 Crores under Section 180(1) (c)
4. The Company has issued 4,81,67,004 Bonus Shares
5. The Company in its Extra Ordinary General Meeting has approved the fresh issue of Equity Shares aggregating for an amount upto ₹ 2800 Million.
6. The Company has approved the Offer for sale of 2,40,00,900 Equity Shares
7. After the closure of the financial year and before the date of this report the Company obtained the listing status and is Listed on National Stock Exchange of India Limited and BSE Limited.

For BS & Company Company Secretaries LLP

Date: July 5, 2022
Place: Hyderabad

K.V.S. Subramanyam
FCS No.: 5400
C P No.: 4815
UDIN: F005400D000567698

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 records 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 BS & Company Company Secretaries LLP

Date: July 5, 2022
Place: Hyderabad

K.V.S. Subramanyam
FCS No.: 5400
C P No.: 4815
UDIN: F005400D000567698

ANNEXURE-5

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The Company's approach towards CSR is based upon its core values, which includes 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% (Net Profit before Tax) 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 Committee, and includes guiding principles for selection, implementation and monitoring of CSR activities as well as formulation of the annual CSR action plan. Our CSR Activities focus on promoting Health care, Education and Sports, Rural Development.

2. Composition of CSR Committee:

The CSR Committee comprises of following members as on March 31, 2022:

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

* Dr. Dinesh Kumar Chirla, Ms. Sundari R. Pisupati and Mr. Santanu Mukherjee were inducted as Members of the CSR Committee w.e.f. October 22, 2021.

3. The web-link where Composition of CSR 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 Committee:	https://www.rainbowhospitals.in/investor-relations/reports/Committee_members.pdf
CSR Policy:	https://www.rainbowhospitals.in/investor-relations/reports/policy/CSR_Policy.pdf
CSR Projects as approved by the Board:	https://www.rainbowhospitals.in/investor-relations/reports/policy/CSR%20Projects%20approved%20by%20the%20Board_FY%2021-22.pdf

4. Details 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. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
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NIL

6. Average net profits of the Company as per section 135(5): ₹ 84,79,62,174

7.(a) Two percent of average net profit of the Company as per Section 135(5) – ₹ 1,69,59,243

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – **Nil**

(c) Amount required to be set off for the financial year, if any – **Nil**

(d) Total CSR obligation for the financial year (7a+7b-7c). – ₹ **1,69,59,243**

8. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR:

(a) 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 section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 1,69,60,000	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year: Nil

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. No	Name of the Project	Items from the List of activities in Sch VII to the Act	Local Area (Yes / No)	Location of the Project		Project Duration	Amt allocated for the Project	Amt spent in Current Financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation – Direct (Yes / No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Regn No
Nil												

c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) S. No.	(2) Name of the project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent in the Financial Year (in ₹ /-)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			CSR Registration No.	Name
1.	Donation to Sri Venkateswara Pranadana Trust	Promoting Healthcare by constructing Pediatric cardiac hospital under this trust.	No	Andhra Pradesh	Chittoor	1,00,00,000	No	CSR00017334	Sri Venkateswara Pranadana Trust
2.	Donation to Gramam (The Village) Foundation (For Upgrading, improvising and maintaining basic infrastructure in the villages.)	Rural Development Projects	Yes	Telangana	Hyderabad	50,00,000	No	CSR000003452	Gramam (The Village) Foundation
3.	Donation to Hrudaya Cure A Little Heart Foundation (To subsidise the treatment of poor patients with Cardiac ailments.)	Promoting Healthcare	Yes	Telangana	Hyderabad	13,60,000	No	CSR00004126	Hrudaya Cure A Little Heart Foundation
4.	Donation to building smart class room for promotion of education	Promoting Education	No	Tamilnadu	Chennai	5,00,000	Yes	NA	NA
5.	Paid to Sports Personnel – Gymnastic Kit	Promoting Sports	Yes	Telangana	Hyderabad	50,000	Yes	NA	NA
6.	Donation to Purnkuti – Promotion of Health and Well Being of Weaker Section	Promoting Healthcare, Eradicating Hunger, poverty and Malnutrition	No	Bihar	Patna	50,000	No	CSR000003026	Purnkuti
Total						1,69,60,000			

(d) Amount spent in Administrative Overheads:- Nil

(e) Amount spent on Impact Assessment, if applicable:- Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e):- ₹ 1,69,60,000

(g) Excess amount for set off, if any – Nil

S. No	Particular	Amount (In ₹)
i)	Two percent of average net profit of the company as per section 135(5)	1,69,59,243
ii)	Total amount spent for the Financial Year	1,69,60,000
iii)	Excess amount spent for the financial year [(ii)-(i)]	757
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)]	757

9.(a) Details of Unspent CSR amount for the preceding three financial years:

S. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (In ₹)
				Name of the Fund	Amt (In ₹)	Date of Transfer	
NIL							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No	Project Id	Name of the Project	Financial Year in which Project was commenced	Project Duration	Total Amt Allocated for the Project	Amt spent on the Project in the Reporting Financial Year	Cumulative Amt spent at the end of Reporting Financial Year	Status of the Project – Completed / Ongoing
Nil								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

- Date of creation or acquisition of the Capital Asset: **Not Applicable**
- Amount of CSR spent for creation or acquisition of capital asset: **Nil**
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. **Not Applicable**
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). **Not Applicable**

For and on behalf of Board of Directors

Prof. Anil Dhawan
Chairman of CSR Committee
DIN: 08191702

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Place: Hyderabad
Date: August 8, 2022

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 plants, 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. BOARD OF DIRECTORS

Our Board composition comprises of experts in various domains such as corporate governance, legal and compliances, finance and accounts. Our Board has an appropriate mix of Executive and Independent Director(s) to maintain its independence, and separate its functions of governance and management.

As on March 31, 2022, the Board of Directors of your Company comprised of 6 directors out of which 2 are Executive and 4 are Independent Directors.

The names and categories of Directors on the Board during the Financial Year 2021-22, their attendance at Board Meetings held during the Financial Year 2021-22 and at the last Annual General Meeting and the number of Directorship and Committees Chairmanship/Membership held by them as on March 31, 2022 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 11.08.2021	Other Directorships*	Committee Memberships**	Committee Chairmanships**	Name of Listed Company	Category of Directorship
		En-titled	Atten- ded						
Dr. Ramesh Kancharla ¹ (DIN: 00212270)	Chairman & PED	9	9	Yes	7	Nil	Nil	-	-
Dr. Dinesh Kumar Chirla ² (DIN: 01395841)	PED	9	9	Yes	6	Nil	Nil	-	-
Prof. Anil Dhawan (DIN: 08191702)	IDNE	9	9	No	Nil	Nil	Nil	-	-
Mr. Aluri Srinivasa Rao (DIN: 00147058)	IDNE	9	8	No	6	Nil	Nil	-	-
Ms. Sundari R. Pisupati ³ (DIN: 01908852)	IDNE	7	6	NA	2	1	Nil	-	-

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 11.08.2021	Other Directorships*	Committee Memberships**	Committee Chairmanships**	Name of Listed Company	Category of Directorship
		En-titled	Atten- ded						
Mr. Santanu Mukherjee ⁴ (DIN: 07716452)	IDNE	6	6	NA	7	4	1	1. Suvan Life Sciences Limited 2. Sumedha IDNE Fiscal Services Limited 3. Bandhan IDNE Bank Limited	IDNE
Mr. Yugandhar Meka ⁵ (DIN: 00012265)	IDNE	2	2	No	N.A	N.A	N.A	N.A	N.A
Mr. Nagarajan Srinivasan ⁶ (DIN: 01480303)	NEND	6	4	No	N.A	N.A	N.A	N.A	N.A
Mr. Ashish Ahluwalia ⁶ (DIN: 03514036)	NEND	6	6	No	N.A	N.A	N.A	N.A	N.A

PED - Promoter Executive Director, IDNE - Independent Non-Executive Director, NEND - Non-Executive Nominee Director.

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

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

The details with respect to appointment and cessation of Directors, during FY 2021-22 is as follows:

¹ Dr. Ramesh Kancharla was re-appointed as Chairman & Managing Director on the Board w.e.f. August 11, 2021

² Dr. Dinesh Kumar Chirla was re-appointed as Whole-Time Director on the Board w.e.f. August 11, 2021.

³ Ms. Sundari R. Pisupati was appointed as an Independent Director on the Board w.e.f. September 16, 2021.

⁴ Mr. Santanu Mukherjee was appointed as an Independent Director on the Board w.e.f. October 22, 2021.

⁵ Mr. Yugandhar Meka resigned from the Board w.e.f. September 16, 2021.

⁶ Mr. Nagarajan Srinivasan and Mr. Ashish Ahluwalia resigned from the Board w.e.f. December 9, 2021.

Number of Board Meetings

During the Financial Year 2021-22, Nine (9) 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.

Date(s) on which meeting(s) were held	
1	July 16, 2021
2	September 16, 2021
3	October 14, 2021
4	October 22, 2021
5	November 27, 2021
6	December 9, 2021
7	December 23, 2021
8	December 24, 2021
9	March 25, 2022

None of our Directors are related to each other.

The number of directorships, chairmanships and committee 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.

Shareholding of Non-Executive Directors of the Company as on March 31, 2022:

As on March 31, 2022, none of the Non-Executive Directors

of the Company was holding any shares or 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 initiatives undertaken by the Company in this respect has been disclosed on the website of the Company and can be accessed through the following link at <https://www.rainbowhospitals.in/investor-relations/reports/policy/Familiarisation%20Programme%20for%20Independent%20Directors%20for%20FY%202021-22.pdf>

Core skills/expertise/competencies of Board of Directors

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

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

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

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 & Accounts / Audit/ Risk Management areas
Dr. Ramesh Kancharla	√	√	√	√	√
Dr. Dinesh Kumar Chirla	√	√	√	√	√
Prof. Anil Dhawan	√	√	√	√	√
Mr. Aluri Srinivasa Rao	√	√	√	√	√
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 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 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 and experience to qualify as Independent Directors of the Company and are Independent of the Company's Management.

Resignation of Independent Director(s)

Mr. Yugandhar Meka, Independent Director of the Company has resigned from the Board on September 16, 2021 due to personal reasons. Mr. Yugandhar Meka further confirmed that there is no other material reason for his resignation.

III. AUDIT COMMITTEE

Your Company has a duly constituted Audit Committee and its composition meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

During the Financial Year 2021-22, the Audit Committee has met 2 (Two) times on December 23, 2021 and March 25, 2022.

The composition of the Audit Committee and the attendance details of the members are given below:-

Names of Members	*Category	Position	No. of meetings attended
Mr. Santanu Mukherjee	IDNE	Chairman	2
Prof. Anil Dhawan	IDNE	Member	2
Mr. Aluri Srinivasa Rao	IDNE	Member	2
Ms. Sundari R. Pisupati	IDNE	Member	2

*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, Chief Financial Officer, Internal Auditors, Concurrent and Statutory Auditors and other executives considered necessary for providing inputs to the Committee.

Terms of reference

The brief 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.

IV. NOMINATION & REMUNERATION COMMITTEE

Your Company has a duly constituted Nomination and Remuneration Committee and its composition meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial Year 2021-22, the Committee has met 3 (Three) times on July 16, 2021 November 27, 2021 and March 25, 2022.

The composition of the Nomination and Remuneration Committee and the attendance details of the members as on March 31, 2022 are given below: -

Names of Members	*Category	Position	No. of meetings attended
Mr. Aluri Srinivasa Rao ¹	IDNE	Chairman	2
Mr. Yugandhar Meka ²	IDNE	Chairman	1
Prof. Anil Dhawan	IDNE	Member	3
Ms. Sundari R. Pisupati ³	IDNE	Member	2
Mr. Santanu Mukherjee ⁴	IDNE	Member	2
Dr. Ramesh Kancharla ⁵	PED	Member	1
Mr. Nagarajan Srinivasan ⁵	NEND	Member	1

*IDNE - Independent Non-Executive Director; PED - Promoter Executive Director, NEND - Non-Executive Nominee Director.

¹ Inducted as Chairman of the Committee w.e.f. October 22, 2021.

² Ceased to be a Chairman & Member of the Committee w.e.f. September 16, 2021

³ Inducted as Member of the Committee w.e.f. September 16, 2021.

⁴ Inducted as Member of the Committee w.e.f. October 22, 2021.

⁵ Ceased to be a Members of the Committee w.e.f. October 22, 2021.

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 Obligations and Disclosure Requirements) Regulations 2015, 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 2021-22.

A structured questionnaire was prepared after taking into consideration the inputs received from Nomination and Remuneration Committee, covering 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. The performance evaluation of Non-Independent Directors, Board as a whole and the Chairman of the Board was evaluated in a separate meeting of Independent Directors.

The feedback and results of the questionnaire were collated and consolidated report was shared with

the Board for improvements of its effectiveness. 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 satisfactory.

V. 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

No meeting of the committee was held during the year under review, as the provisions of Companies Act, 2013 and SEBI Listing Regulations regarding Stakeholders Relationship Committee were not applicable on the Company during the Financial Year 2021-22.

The composition of the Stakeholders Relationship Committee is given below:

Names of Members	*Category	Position
Ms. Sundari R. Pisupati	IDNE	Chairperson
Dr. Ramesh Kancharla	PED	Member
Prof. Anil Dhawan	IDNE	Member
Mr. Aluri Srinivasa Rao	IDNE	Member

*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:-

- 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;
- Reviewing of measures taken for effective exercise of voting rights by shareholders;
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- 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;

- 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;
- 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;
- 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;
- 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;
- To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures and other securities;
- To monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company; and
- 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, Dault Arcade, Karvy Lane,
Road No.11, Banjara Hills,
Hyderabad-500034, Telangana
Telephone No: +91 40 49692244
E-mail: companysecretary@rainbowhospitals.in

The Company has not received any investor complaint during the year under review. Further, no investor complaint in relation to our Company was pending as on March 31, 2022.

VI. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Your Company has a duly constituted Corporate Social Responsibility Committee and its composition meets the requirements of Section 135 of the Companies Act, 2013.

During the Financial Year 2021-22, the Committee has met 1 (One) time on March 25, 2022.

The composition of the Corporate Social Responsibility Committee and the attendance details of the members as on March 31, 2022 are given below: -

Names of Members	*Category	Position	No. of meetings attended
Prof. Anil Dhawan ¹	IDNE	Chairman	1
Dr. Ramesh Kancharla ²	PED	Member	1
Dr. Dinesh Kumar Chirla ³	PED	Member	1
Ms. Sundari R. Pisupati ³	IDNE	Member	1
Mr. Santanu Mukherjee ³	IDNE	Member	1
Mr. Ashish Ahluwalia ⁴	NEND	Member	-

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

¹ Inducted as Chairman of the Committee w.e.f. October 22, 2021.

² Ceased to be Chairman of the Committee w.e.f. October 22, 2021, but continued as a member

³ Dr. Dinesh Kumar Chirla, Ms. Sundari R. Pisupati and Mr. Santanu Mukherjee were inducted as a Members of the Committee w.e.f. October 22, 2021.

⁴ Ceased to be a Member of the Committee w.e.f. October 22, 2021.

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 Corporate Social Responsibility Committee, inter alia, includes the following:

- (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 corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the Corporate Social Responsibility 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.

VII. RISK MANAGEMENT COMMITTEE

Your Company has duly constituted a Risk Management Committee and its composition meets the requirements of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial Year 2021-22, the Committee has met 1 (One) time on July 16, 2021.

The composition of the Risk Management Committee as on March 31, 2022 is given below:

Names of Members	*Category	Position	No. of meetings attended
Mr. Santanu Mukherjee ¹	IDNE	Chairman	-
Dr. Ramesh Kancharla	PED	Member	1
Mr. Aluri Srinivasa Rao	IDNE	Member	1
Mr. R Gowrisankar ²	CFO	Member	-
Mr. Mahesh Madduri ²	HOS	Member	-
Mr. Yugandhar Meka ³	IDNE	Chairman	1
Mr. Nagarajan Srinivasan ⁴	NEND	Member	1
Ms. Sundari R. Pisupati ⁴	IDNE	Member	-

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

¹ Inducted as Chairman of the Committee w.e.f. October 22, 2021.

² Inducted as Member(s) of the Committee w.e.f. October 22, 2021.

³ Ceased to be a Chairman and Member of the Committee w.e.f. September 16, 2021

⁴ Ceased to be a Member(s) of the Committee w.e.f. October 22, 2021.

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:
 1. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, environment, social and governance related risks), information, cyber security risks or any other risk as may be determined by the committee;
 2. Measures for risk mitigation including systems and processes for internal control of identified risks;
 3. Business continuity plan.
- (d) To approve the process for risk identification and mitigation;
- (e) To decide on risk tolerance and appetite levels, recognizing contingent risks, inherent and residual risks including for cyber security;
- (f) To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;
- (g) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (h) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (i) To approve major decisions affecting the risk profile or exposure and give appropriate directions;
- (j) To consider the effectiveness of decision making process in crisis and emergency situations;
- (k) To balance risks and opportunities;
- (l) To generally, assist the Board in the execution of its responsibility for the governance of risk;
- (m) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (n) To consider the appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee;

- (o) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
- (p) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;
- (q) To attend to such other matters and functions as may be prescribed by the Board from time to time; and
- (r) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

VIII.REMUNERATION OF DIRECTORS:

The table below gives details of Remuneration of Directors for the Financial Year ended March 31, 2022.

(Amount in ₹)

Name of Director	Salary & Perquisites	Performance Linked Incentive	*Commission	Contribution towards Provident Fund	Sitting Fees	Severance Fee	Service Contract	Notice Period	Total
Dr. Ramesh Kancharla	5,94,00,004	-	-	6,00,000	-	-	3 Years	None, unless otherwise agreed by Board of Directors	6,00,00,004
Dr. Dinesh Kumar Chirla ¹	69,75,988	-	-	18,85,712	-	-	3 Years	None, unless otherwise agreed by Board of Directors	88,61,700
Prof. Anil Dhawan	-	-	10,00,000	-	7,00,000	-	-	-	17,00,000
Mr. Aluri Srinivasa Rao	-	-	10,00,000	-	5,25,000	-	-	-	15,25,000
Ms. Sundari R. Pisupati ²	-	-	5,83,332	-	5,75,000	-	-	-	11,58,332
Mr. Santanu Mukherjee ³	-	-	5,00,000	-	6,00,000	-	-	-	11,00,000
Mr. Yugandar Meka ⁴	-	-	5,00,000	-	1,00,000	-	-	-	6,00,000

*Commission relates to the Financial Year ended March 31, 2022, which was approved by the Board on May 27, 2022 and was paid during Financial Year 2022-23.

¹ Dr. Dinesh Kumar Chirla also received ₹ 2,64,93,578/- as a professional fee in the capacity of Doctor.

² Ms. Sundari R. Pisupati was appointed as Independent Director on the Board w.e.f. September 16, 2021

³ Mr. Santanu Mukherjee was appointed as Independent Director on the Board w.e.f. October 22, 2021.

⁴ Mr. Yugandhar Meka resigned as Independent Director from the Board w.e.f. September 16, 2021.

Criteria for making payments including all pecuniary relationship or transactions of Non-executive Directors

Non-Executive Directors of the Company are paid sitting fees for attending Board/ Committee meetings and 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

There has been no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the year except the Commission and Sitting Fees paid to them as detailed above.

IX. 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
2020-21	11-Aug-21 at 11:00 AM	8-2-619/1/A, Road No.11, Daulet Arcade, Banjara Hills, Hyderabad- 500034	<ol style="list-style-type: none">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 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 subsidiaries4. 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.
2019-20	03-Aug-20 at 11:00 AM	8-2-619/1/A, Road No.11, Daulet Arcade, Banjara Hills, Hyderabad- 500034	None
2018-19	12-July-19 at 11:00 AM	8-2-619/1/A, Road No.11, Daulet Arcade, Banjara Hills, Hyderabad- 500034	None

POSTAL BALLOT

During the year under review, no business has been transacted through postal ballot. Hence, disclosure under this section is not required to be provided.

Further, No special resolution is proposed to be conducted through postal ballot.

X. MEANS OF COMMUNICATION

Post listing 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. <http://www.rainbowhospitals.com/>.

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 Financial Express/ Surya/Business Standard/Eenadu /Economic Times.

Post listing the Company organized investor conference calls to discuss its financial results every quarter, where investor queries were answered by the Executive Management of the Company. The transcripts of the conference calls were posted on our website and on 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.

XI. GENERAL SHAREHOLDER INFORMATION

a. Corporate Identification Number: L85110TG1998PLC029914

b. Annual General Meeting:

The 24th Annual General Meeting of the Company is scheduled to be held as under:-

Date and Time September 15, 2022 at 11:30 A.M. (IST)

Venue The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2022 and May 5, 2020 and there is no requirement to have a venue for the AGM. 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, 2021 to March 31, 2022.

d. Final Dividend Payment: On or before October 14, 2022.

e. Listing on Stock Exchanges:

The Equity Shares of the Company were listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") (collectively referred to as "Stock Exchanges") on May 10, 2022.

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 2022-23 have been paid to both the Stock Exchanges.

f. Market Price Data & Share price performance:

Not Applicable since during the period under review the Equity Shares of the Company were not listed on any recognised Stock Exchange(s).

g. Company's equity share price comparison with BSE Sensex and S&P CNX Nifty:

Not Applicable since during the period under review the Equity Shares of the Company were not listed on any recognised Stock Exchange(s).

h. 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

i. Share Transfer System:

As mandated by SEBI, securities of listed companies can only be transferred in dematerialized form. In view of the same, the entire share capital of the Company is in dematerialised form. The shares can be transferred by shareholders through their Depository Participants.

j. Distribution of shareholding as on March 31, 2022:

i. Distribution of Equity Shareholding

Slab	Shareholders		No. of Shares	
	Number	% to total	Shares	% to total
1 – 5000	37	25.34	1,27,000	0.13
5001 – 10,000	30	20.55	2,50,000	0.27
1,0001 – 20,000	36	24.66	6,08,000	0.65
20,001 – 30,000	23	15.75	6,20,000	0.66
3,0001 – 40,000	1	0.68	40,000	0.04
40,001 – 50,000	1	0.68	50,000	0.05
50,001 – 1,00,000	2	1.37	1,20,000	0.13
1,00,001 - Above	16	10.96	9,22,38,928	98.07
Total	146	100	9,40,53,928	100

ii. Categories of Equity Shareholders as on March 31, 2022

S. No.	Category	No of Shares held	% of Share holding
1	Promoter and Promoter Group	5,99,12,384	63.70
2	Foreign Venture Capital Investors	89,33,163	9.50
3	Foreign Body Corporate	1,81,18,981	19.30
4	Mutual Fund/Alternate Investment Funds	-	-
5	FPI and FII	-	-
6	Resident Individuals	70,89,400	7.54
7	Financial Institutions/Banks/Insurance Companies	-	-
8	Bodies Corporate	-	-
9	Non - Resident Indians	-	-
10	Clearing Members	-	-
11	Trusts	-	-
Total		9,40,53,928	100

As on March 31, 2022 following was the distribution of Preference Share Capital of the Company:

S. No	Name	No. of Preference Shares	Description
1	CDC Group PLC (Foreign Body Corporate)	11,46,771	0.0001% Series A Compulsorily Convertible Preference Shares of face value of ₹ 48/- each
2	CDC India Opportunities Limited (Foreign Venture Capital Investors)	11,33,309	0.0001% Series B Compulsorily Convertible Preference Shares of face value of ₹ 48/- each
	Total Preference Share (Series A + Series B)	22,80,080	

Subsequent to the year under review, the Company allotted 22,80,080 Equity Shares on April 4, 2022 on account of conversion of (i) 11,46,771 0.0001% Series A Compulsorily Convertible Preference Shares of face value of ₹ 48/- each into 11,46,771 Equity Shares of ₹ 10/- each and (ii) 11,33,309 0.0001% Series B Compulsorily Convertible Preference Shares of face value of ₹ 48/- each into 11,33,309 Equity Shares of ₹ 10/- each, at a conversion ratio of 1:1 as per the terms of the Restated Shareholder's Agreement dated March 29, 2016 and as amended thereafter, ranking *pari passu* with the existing Equity Shares.

k. Dematerialisation of Shares and Liquidity

As on March 31, 2022, the entire equity share capital of your Company is held in dematerialised form with NSDL and CDSL under International Securities Identification Number (ISIN) – INE961O01016.

l. Outstanding GDRs/ ADRs/ Warrants or Convertible Instruments

No GDRs/ ADRs/Warrants has been issued by the Company.

As on March 31, 2022 the Company had (i) 11,46,771 0.0001% Series A Compulsorily Convertible Preference Shares of face value of ₹ 48/- each (ii) 11,33,309 0.0001% Series B Compulsorily Convertible Preference Shares of face value of ₹ 48/- . ("CCPS")

Subsequent to the year under review, the Company allotted 22,80,080 Equity Shares on April 4, 2022 on account of conversion of (i) 11,46,771 0.0001% Series A Compulsorily Convertible Preference Shares of face value of ₹ 48/- each into 11,46,771 Equity Shares of ₹ 10/- each and (ii) 11,33,309 0.0001% Series B Compulsorily Convertible Preference Shares of face value of ₹ 48/- each into 11,33,309 Equity Shares of ₹ 10/- each, at a conversion ratio of 1:1 as per the terms of the Restated Shareholder's Agreement dated March 29, 2016 and as amended thereafter, ranking *pari passu* with the existing Equity Shares.

m. 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.

n. Plant Locations

The Company does not have any manufacturing or processing plants.

o. 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 ID: companysecretary@rainbowhospitals.in	Rainbow Children's Medicare Limited 8-2-19/1/A, Daulet Arcade, Road No. 11, Banjara Hills, Hyderabad – 500034, Telangana Ph: 040- 49692244 E-mail: E-Mail ID: companysecretary@rainbowhospitals.in

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

p. List of Credit Ratings

During the Financial Year 2021-22, the Company has been assigned a credit rating of "[ICRA] AA-(stable)" by ICRA for non-convertible debentures.

Regulations, 2015, 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

XII. 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 2.33 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. 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, forms part of notes to the financial statements.

c. Non-Compliances by the Company

During the last three years and during the Financial Year 2021-22, there were no strictures or penalties imposed on the Company either by the Stock Exchanges or SEBI, or any other statutory authority for noncompliance of any matter related to capital markets.

d. 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 Obligations and Disclosure Requirements)

e. Details of compliance with mandatory requirements and adoption of the non mandatory requirements

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

f. Subsidiary Companies

Your Company does not have any material subsidiary company in terms of Regulation 16(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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>

g. Practicing CS Certification

A certificate from Secretarial Auditors of the Company stating that as on March 31, 2022, 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, which are mandatorily required, 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 2021-22 is ₹ 4.28 million.

j. Disclosure under the sexual harassment of women at Workplace (prevention, prohibition and redressal) Act, 2013

In compliance of the terms 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.

Following is the status of Complaints received under the sexual harassment of women at Workplace (prevention, prohibition and redressal) Act, 2013 during the Financial Year 2021-22.

- a. number of complaints filed during the financial year - 1
- b. number of complaints disposed of during the financial year - 1
- c. number of complaints pending as on end of the financial year. – Nil

k. 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 and Disclosure Requirements) Regulations, 2015.

To the extent applicable, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

l. 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, 2022.

m. 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.

n. 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 tentative annual calendar of Board Meetings for the ensuing year is decided in advance by the Board.

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 Obligations and Disclosure Requirements) Regulations, 2015.

o. 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 Obligations and Disclosure Requirements) Regulations, 2015, a meeting of the Independent Directors of the Company was held on March 25, 2022 without the presence of Non-Independent Directors and where in all Independent Directors were present in person.

The Company Secretary was an invitee to the said meeting and acted as a facilitator to the Independent Directors.

p. Mandatory requirements:

To the extent applicable, during the year under review the Company has complied all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

q. Non- mandatory requirements:

The Company has adopted the following non-mandatory requirements on Corporate Governance:-

i. Board

Since your Company did not have a Non-Executive Chairman during the Financial Year 2021-22, the requirement of maintaining a Chairman's Office was not applicable to the Company.

ii. Shareholder Rights

The quarterly and half yearly financial results of your Company are published in widely circulated newspapers and additionally are displayed on the Company's website (www.rainbowhospitals.in).

The Company sends the financial statements along with the Directors' Report and Auditor's Report to shareholders every year.

iii. Audit qualifications

There was no audit qualification on your Company's financial statements, during the year under review.

iv. Reporting of Internal Auditor

The Internal Auditors of the Company i.e. M/s. S. V. Rao & Associates directly reports to the Audit Committee of the Company.

XIII. 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 Executives have affirmed compliance with the Code of Conduct for the Financial Year 2021-22.

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>

XIV. CEO/ CFO CERTIFICATION

In compliance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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**.

XV. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on Corporate Governance issued by the Secretarial Auditors of the Company is annexed to this Report as **Annexure - 4**.

XVI. SHAREHOLDERS SATISFACTION SURVEY

The Company invites feedback from all Shareholders on various services areas that it continually works on.

The feedback in the form of a questionnaire is attached along with Notice of convening 24th Annual General Meeting.

Shareholders are requested to fill up the "**Shareholders Satisfaction Survey**" form and provide their valuable feedback by 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 8-2-619/1/A, Road No.11, Daulet Arcade, Banjara Hills, Hyderabad- 500034.

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Rainbow Children's Medicare Limited having CIN L85110TG1998PLC029914 and having registered office at 8-2-120/103/1, Survey No. 403, Road No. 2, Banjara Hills, Hyderabad - 500034, Telangana (hereinafter referred to as 'the Company'), 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 31st March, 2022 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 Director	DIN	Date of Appointment in Company
1	Dr. Ramesh Kancharla	00212270	August 7, 1998
2	Dr. Dinesh Kumar Chirla	01395841	December 12, 2005
3	Prof. Anil Dhawan	08191702	August 30, 2018
4	Mr. Aluri Srinivasa Rao	00147058	March 15, 2019
5	Ms. Sundari R. Pisupati	01908852	September 16, 2021
6	Mr. Santanu Mukherjee	07716452	October 22, 2021

Ensuring the eligibility of for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BS & Company Company Secretaries LLP

Date: August 8, 2022
Place: Hyderabad

K.V.S. Subramanyam
Designated Partner
FCS No.: 5400
C P No.: 4815
UDIN: F005400D000761771

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 for the year ended March 31, 2022.

Dr. Ramesh Kancharla

Chairman and Managing Director
Rainbow Children's Medicare Limited

Place: Hyderabad

Date: August 8, 2022

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 2021-22 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 Kanchala
Chairman and Managing Director
Rainbow Children's Medicare Limited

R. Gowrisankar
Chief Financial Officer
Rainbow Children's Medicare Limited

Date: August 8, 2022
Place: Hyderabad

ANNEXURE - 4

CORPORATE GOVERNANCE CERTIFICATE

To
The Members
Rainbow Children's Medicare Ltd,
8-2-120/103/1, Survey No. 403,
Road No. 2, Banjara Hills,
Hyderabad - 500034,
Telangana, India.

We have examined the compliance of the conditions of Corporate Governance by **Rainbow Children's Medicare Ltd** ("Company") for the year ended 31st March, 2022, 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.

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 (LODR) Regulations, 2015, it is our responsibility to express limited assurance that the Company has complied with the requirements of the conditions of Corporate Governance. Further, this Certificate is also required to be annexed with the Directors' Report of the Company which forms part of the Annual Report as required under para-E of Schedule V of the SEBI (LODR) Regulations, 2015.

We have verified the conditions of Corporate Governance to the extent applicable, as at the end of the Financial Year 2021-22, the status of the Company was an unlisted public company and was in the process of listing. Thus, our examination and assurance with regard to compliance of the conditions of Corporate Governance is limited to the extent as stated below:

- (a) Composition of the Board of Directors;
- (b) Code of conduct for all members of the Board of Directors and Senior Management;
- (c) Adoption of Succession Plan for appointment to the Board of Directors and Senior Management;
- (d) Evaluation of the performance of Independent Directors;
- (e) Maximum number of directorships of all directors of the company in other listed entities;
- (f) Composition of the Audit Committee;
- (g) Composition of the Nomination and Remuneration Committee;
- (h) Composition of Stakeholders Relationship Committee;
- (i) Formulation of Vigil Mechanism;
- (j) Formulation of Policy on materiality of Related Party Transactions and on dealing with related party transactions;
- (k) Maximum number of memberships and chairmanship in Audit and Stakeholders' Relationship committees in all public limited companies whether listed or not; and
- (l) Website disclosures.

Further, our examination of records did not include verification of the compliances of condition of Corporate Governance with respect to periodic filing of returns, reports, documents and other information with the stock exchanges which are based on market capitalization and other compliances which are triggered on some material events since the Company was not required to comply with the SEBI (LODR) Regulations, 2015.

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.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has voluntarily complied with the conditions of Corporate Governance to the extent applicable as stipulated in the SEBI (LODR) Regulations, 2015 for the Financial Year ended on March 31, 2022 as the Company got listed on the Stock Exchanges on May 10, 2022 and therefore the said regulations were not applicable to the Company for the period under review

The Corporate Governance Certificate shall be read in the context of the fact that the Company was unlisted during the Financial Year 2021-22. Further this certificate is issued considering the fact the Company is now listed and is required to comply with SEBI (LODR) Regulations, 2015.

For BS & Company Company Secretaries LLP

Date: August 8, 2022
Place: Hyderabad

K. V.S. Subramanyam
Designated Partner
FCS No.: 5400
C P No.: 4815
UDIN: F005400D000761804

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors presents the Business Responsibility Report of the Company for the Financial Year ended on March 31, 2022.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Corporate Identity Number (CIN) of the Company	L85110TG1998PLC029914
Name of the Company	Rainbow Children's Medicare Limited ("the Company/we/our / Rainbow")
Registered address	8-2-120/103/1, Survey No. 403 Road No. 2, Banjara Hills Hyderabad – 500 034, Telangana.
Website	www.rainbowhospitals.in
E-mail id	companysecretary@rainbowhospitals.in
Financial Year reported	2021-22
Sector(s) that the Company is engaged in (industrial activity code-wise)	Human Health Activities Section: Q Division: 86 Group: 861 Class: 8610 Sub-Class: 86100
List three key products/services that the Company manufactures/provides (as mentioned in balance sheet)	The business of running multi-specialty pediatric and obstetrics and gynecology hospital.
Total number of locations where business activity is undertaken by the Company:	
Number of International Locations	None
Number of National Locations	The Company has 14 hospitals and 3 clinics in 6 cities
Markets served by the Company - Local/State/National/International	Primary National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Paid up Capital (₹ Million)	1049.98
Total Income (₹ Million)	9454.14
Total profit after taxes (₹ Million)	1422.91
Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company's total spending on CSR for the Financial Year 2021-22 is ₹ 16.96 million which is 1.19% of PAT.
List of activities in which expenditure as stated above has been incurred	Please refer to the "Report on CSR Activities" attached as annexure to the Board's Report, forming part of the Annual Report.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes, as on March 31, 2022, the Company has Six (6) Subsidiary companies, the details of the same have been provided in another section of the Annual Report.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

No, the Subsidiary companies do not participate in the BR initiatives of the Company.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

The Company does not mandate its suppliers/ distributors to participate in the Company's Business Responsibility ("BR") initiatives. However, they are encouraged to adopt such practices and follow the concept of being a responsible business.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of the Director/Director responsible for implementation of the BR policy/policies

The CSR Committee consisting of the following Directors is responsible for the implementation of the BR Policy:

S. No.	Name of the Director	DIN Number	Designation
1	Dr. Ramesh Kancharla	00212270	Chairman & Managing Director
2	Dr. Dinesh Kumar Chirla	01395841	Whole-time Director
3.	Prof. Anil Dhawan	08191702	Independent Director
4.	Ms. Sundari R. Pisupati	01908852	Independent Director
5.	Mr. Santanu Mukherjee	07716452	Independent Director

b) Details of the BR Head	
DIN	00212270
Name	Dr. Ramesh Kancharla
Designation	Chairman & Managing Director
Telephone number	+91 40 49692244
e-mail id	companysecretary@rainbowhospitals.in

2. Principle-wise (as per National Voluntary Guidelines [NVGs]) BR Policy/policies

The NVGs on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

- P1** - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2** - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3** - Businesses should promote the well-being of all employees.
- P4** - Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5** - Businesses should respect and promote human rights.
- P6** - Business should respect, protect and make efforts to restore the environment.
- P7** - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8** - Businesses should support inclusive growth and equitable development.
- P9** - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify?* (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6.	Indicate the link for the policy to be viewed online?	https://www.rainbowhospitals.in/investor-relations/reports/policy/Business%20Responsibility%20Policy.pdf								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

**The policies formulated by the Company are materially in compliance with all mandatory/applicable laws, rules, regulations, guidelines and standards.*

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: Not Applicable

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.

Corporate Social Responsibility Committee of the Company oversees the Business Responsibility Performance on an Annual basis.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Business Responsibility Report is published annually as part of the Company's Annual Report. The Annual Report of the Company for the Financial Year 2021-22 can be viewed at: <https://www.rainbowhospitals.in/investor-relations/#>

The Whistle-blower and Code of Conduct Policies which relates to ethics, bribery and corruption extend to all our subsidiaries, joint-ventures and entities under the umbrella of Rainbow Children's Medicare Limited.

2. How many stakeholder complaints have been received in the past Financial Year and what percentage was satisfactorily resolved by the management?

During the year under review, the Company has not received Compliant relating to ethics, bribery or corruption.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is engaged in the business of providing healthcare services and through its operations it has taken initiatives to build Sustainable Environment for a healthy lifestyle and promotes measurement of

healthcare system performance. Since 2013 all Hospitals that have been commissioned by Rainbow are following Green building norms, among these 3 of them are IFC (World Bank Group) EDGE Certified. As per Company mandate, all new Greenfield Projects of Rainbow shall follow Green Building Norms. Rainbow is committed to minimize the effect of its business activities on the Environment and use Sustainable Design practices for all of its new Hospitals. This helps to reduce Carbon Foot Prints as most of the materials used will adhere to Green Building norms.

The Company conserved the energy by replacing older technology boiler with Energy efficient electric Heat pump, cooling tower, Pump, Modification and optimization of chilled water line for building & LED lights at various units and reduced energy consumption, Effluent Treatment Plants (ETP's), wet-dry segregation and autoclaves for proper disposal and treatment of Bio-Medical Wastes are installed in Hospitals.

Rainbow follows a transparent policy for forecasting and mitigating the potential risks, Rainbow is always in forefront to adopt and introduce latest technologies which would help in reducing carbon foot prints. Risk identification and mitigation, and Patient Safety are an integral part of accreditations like NABH, EDGE and JCI. Rainbow Group is one of the most accredited healthcare organisations of the country with respect to patient safety as well as resource optimization.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

- i. Even though we are not producing products, but still there is a scope to reduce resource wastage by Operational practices and Optimal utilisation of resources. Resource use for the entire portfolio is tracked and monitored. As part of design standard, for all new upcoming hospitals, Rainbow is providing hot water generation system with solar panels and heat pumps as secondary source.
- ii. Rainbow continues to explore avenues to employ renewable source of energy - Solar power
- iii. Energy conservation by Improving overall efficiency of Utility by replacing older technology machines by newer technology to improve efficiency.

b) Reduction during usage by consumers (energy, water) has been achieved since the previous year

- i. The Company has been continuously monitoring and improving energy scores across hospitals by switching to LED light fixtures, installing VFDs, BMS, low flow plumbing & sanitary fixtures. The chart below captures the reduction in energy consumption achieved by various Rainbow Hospitals across India.
- ii. The overall bed occupancy in the current year has increased compared to previous year. Hence, Reduction in Specific Energy Consumption per bed per day has been achieved over previous year. Units consumed over the previous years have been appended below (Refer table below):

Rainbow Hospitals Energy Consumption Details

UNITS	EPI INDEX		Energy Consumption (KWH) in Lacs		
	NBM	Actual (2021-22)	2019-2020	2020-21	2021-22
Banjarahills	261	149	35	32.68	36.19
Marathahalli	247	89	16.66	15.62	16.1
Chennai	275	223	15.13	15.4	17.4
Delhi	264	169	19.29	17.68	18.84
BG Road	247	132	9.57	8.19	8.65
Vijayawada	275	225	13.63	12.48	13.85
LB Nagar	261	126	6.86	6.88	7.46
Kukatpally	261	125	9.27	6.97	7.92
Vikrampuri	261	165	NA	NA	9.35
Kondapur	261	184	5.28	4.88	4.98
vizag	275	73	NA	NA	9.4
Heart Institute	261	203	8.74	8.69	10.26
Rosewalk	264	255	NA	5.94	5.98
Hebbal	247	158	NA	NA	4.84

- iii. The Company has commissioned solar rooftop at 6 of its units with this it has been generated 342673 units of Energy in a year.
- iv. With this the Company was able to avoid 307 Tons of Carbon emissions. (Only through renewable energy).
- v. The Company achieved a net carbon reduction equivalent of 3110 tons by both Energy savings and using Renewable energies.
- vi. We have saved 2805250 units of Energy through energy conservation methods, which is equivalent to 17.5% of total energy consumption.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

Yes, the Company maintains a healthy relationship with its vendors/ suppliers. The Company has in place a system of vendor selection which, besides a host of other factors, also lays emphasis on technical, financial, infrastructural capability and ethical practices of the vendor. Continuous engagement with suppliers is ensured through supplier meets, business reviews, multiple training sessions.

To motivate the suppliers to take the Sustainability agenda forward, we encourage Vendors to adopt "Green Supply Chain Management Policy. We try to maintain a safe working culture at supplier, by initiating supplier safety audits through Rainbow quality team further inputs were given to suppliers for improvement.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company is in the business of providing healthcare service in which the products and services as inputs are regulated by the statutes and hence, we procure the products and services from empaneled vendors who are governed by various statutes for regulatory products.

To ensure effective and efficient healthcare delivery, we make sure the availability of quality product and services in our hospitals. Without compromising on quality, many pharma and medical consumables are sourced from local suppliers as well. Non-regulatory products and services are procured through local goods and service providers. The Company also has many small and micro businesses as suppliers of various products and services.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Yes, the Company has made all the efforts to conserve water, energy and reduce wastage in the course of running operations by adopting various measures as covered under this Business Responsibility Report including the following:

- a. As part of water conservation initiatives, domestic waste water from hospitals is treated in on-site wastewater treatment plants and reused in the hospitals for suitable non-contact purposes like flushing, gardening, green belt development, cleaning of non-contact areas etc. On average across group we are recycling 50% of treated water. The Company also restores the ground water.
- b. Rainbow has a documented SOP for biomedical waste & General waste management in place which provides guidelines to ensure correct sorting, labelling, handling, storage, transporting and disposal of solid and liquid waste and, thus, prevention of infection and contamination of personnel and equipment. Accordingly, all the hazardous waste viz. mercury, residuals from wastewater treatment, etc. and general health care wastes are sent to the Authorised central municipality team, biomedical and hazardous waste treatment facilities as stipulated by local regulations. Rainbow also verifies the chain of custody documentation for the Authorised waste management contractors (which will be as per individual hospital requirements) from time to time. Rainbow also employs paper recycling practice across all its units.
- c. All waste that is generated on our premises is disposed of to the state government authorized agencies who have sorting/processing units of their own.
- d. We have already restricted the usage of single use plastic in our offices like plastic spoons, disposable plates, stirrers etc. and they are replaced with eco-friendly material.
- e. We also strictly follow our scrap policy for e-waste generated through our business.

Principle 3 - Businesses should promote the well-being of all employees

Total number of employees	2875
Total number of employees hired on temporary/ contractual/casual basis	870
Number of permanent women employees	1639
Number of permanent employees with disabilities	5
Do you have an employee association that is recognized by management	No
What percentage of your permanent employees is members of this recognized employee association?	NA

(Including employees on the rolls of Subsidiary Companies).

Details of the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment, are as follows:

No.	Category	No of complaints filed during the Financial Year 2021-22	No of complaints pending as on end of the Financial Year 2021-22
1.	Child labour/forced labour/involuntary labour	Nil	Nil
2.	Sexual harassment	1	Nil
3.	Discriminatory employment	Nil	Nil

What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

Category	Percentage (%)
(a) Permanent Employees	100%
(b) Permanent Women Employees	100%
(c) Casual/Temporary/Contractual Employees	100%
(d) Employees with Disabilities	100%

Principle 4 - Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the company mapped its internal and external stakeholders?

Yes, the Company has mapped its internal and external stakeholders. Please refer Materiality Matrix on page No 41.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Disadvantaged, vulnerable, marginalised and BPL patients are tracked and served as per Company's policy.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so?

The Company has in place a comprehensive Corporate Social Responsibility policy that caters to the need of vulnerable and marginalized people in the society. As part of its CSR the Company made donation to "Hrudaya Cure A Little Heart Foundation", which is focused on improving access to quality pediatric cardiac care for children from economically disadvantaged families. The Company also donated to "Purnkuti", an NGO that has been giving persistent inputs to improve the quality of life of impoverished communities ("Communities") across Bihar, Telangana, and Maharashtra benefiting children, women, sex workers, transgenders, and rural populations through quality inputs on education, skill development, awareness, health & nutrition, and counselling.

Principle 5 - Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Yes, as part of our Rainbow's Code of Conduct, the Human Rights values are upheld for our associates across the Group/Joint Ventures/Suppliers/Contractors at all times.

All our associates are sensitised on the expected conduct during orientation programs.

2. How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management?

During the year under review, the Company has not received any complaint or concern with respect to violation of human rights.

Principle 6 - Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

The Environment Social Governance (ESG) Policy of the Company covers the Company and all its subsidiaries, joint-ventures and entities under the umbrella of Rainbow Children's Medicare Limited.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N.

Yes, our Hospitals follow a stringent and well-defined framework that aims to minimize the environmental impact, improve hygiene protocols and encourage people & community development. Company vigorously monitor and improve energy scores across hospitals by switching to LED light fixtures, installing VFDs, BMS, Renewable Energies, upgrade/replacement of equipment The Company promotes and shall continue to promote usage of sustainable practices at its Hospitals. The Company aims to create a healthy and safe environment for all its employees, business partners and community.

3. Does the company identify and assess potential environmental risks?

Yes, based on the Hospital Operations and activities the Company have identified following environmental risks in Hospital includes:

- Waste storage and disposal, eg making sure that proper containers are used, and are located away from drains and watercourses
- Emissions- DG emissions, dust and other substances to the air
- Hazardous substance storage, use and disposal
- Liquid waste drainage and disposal – Like waste oil and kitchen Oil
- Infection Spreading – which may lead to contaminates water body and Surrounding environments
- Radiation safety.
- General building safety – Fire, Heating, Ventilation, and Air Conditioning.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The Company has not registered any project related to the Clean Development Mechanism.

5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy etc.? If yes, please give hyperlink for web page etc.

Yes, for details please refer 'Conservation of Energy, Technology Absorption' para in the Board's Report for the Financial Year 2021-22 which can be accessed at <https://www.rainbowhospitals.in/investor-relations/#>

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the Financial Year being reported?

Yes. All emissions/waste generated at various Rainbow hospitals are within permissible limits These are continuously monitored, reviewed internally and reported to the SPCB as per the requirement.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes, we are active members of Associated Chambers of Commerce and Industry of India (ASSOCHAM), Directorate of Medical Education, Telangana Super

Speciality Hospitals Association (TSSHA), IMA Forum and Great Place to Work.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; If yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, as an organization operating in Healthcare, we believe that we have an advantage in making a positive difference to the communities around us. We work actively through various associations and our CSR wing to ensure impact in the above-mentioned areas.

As part of Directorate of Medical Education, we work actively in elevating the healthcare standards in our communities by working with villages and their healthcare infrastructure – ensuring quality Healthcare to economically underprivileged members of the society.

Little Hearts Foundation works with our Heart Institute to ensure timely treatment of serious heart ailments in economically and socially underprivileged children, at subsidized costs.

Principle 8 - Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company identified specified program and takes all initiatives in Promoting Healthcare, Education, Sports, Rural Development etc. in pursuit of the CSR policy.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

All the community development initiatives were undertaken by in-house teams and often with the help of external agencies/ organizations

3. Have you done any impact assessment of your initiative?

The initiatives undertaken are reviewed by the CSR Committee, constituted by the Board. The CSR operation team ensures proper and frequent monitoring of all the projects.

4. What is your company's direct contribution to community development projects-Amount in ₹ and the details of the projects undertaken.

Please refer to the "Report on CSR Activities" attached as annexure to the Board's Report, forming part of the Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

Yes, the Company ensures the community development initiative through internal tracking mechanisms and field visits. Informal feedbacks are also obtained from the community on such initiatives

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints/consumer cases are pending as on the end of Financial Year?

There are no material consumer cases/customer complaints pending as on the end of Financial Year.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

Not Applicable.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of Financial Year?

None.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The Company collects patient feedback (OP, IP and health check-up patients) through physical feedback forms.

To understand consumer satisfaction trends, feedback is also sought from patients through social media or email. By reviewing the feedback provided and sharing the response, the Company gauges the level of patients satisfaction and derive trends.