

B S R & Associates LLP

Chartered Accountants

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Independent Auditor's Report

To the Board of Directors of Rainbow Children's Medicare Limited (formerly known 'Rainbow Children's Medicare Limited')

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of Rainbow Children's Medicare Limited (formerly known 'Rainbow Children's Medicare Limited') (hereinafter referred to as the "Company") for the year ended 31 March 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively

Registered Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

B S R & Associates (a partnership firm with Registration No. BA69226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

Independent Auditor's Report (Continued)

Rainbow Children's Medicare Limited (formerly known 'Rainbow Children's Medicare Limited')

for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

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

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Independent Auditor's Report (Continued)

Rainbow Children's Medicare Limited (formerly known 'Rainbow Children's Medicare Limited')

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter(s)

- a. The standalone annual financial results include the results for the quarter ended 31 March 2022 being the balancing figure between the audited figures in respect of the full financial year and the unpublished audited year to date figures up to the third quarter of the current financial year.
- b. The standalone annual financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year ended 31 March 2021 and the unpublished audited year to date figures up to the third quarter of the financial year ended 31 March 2021.
- c. The standalone annual financial results include the results for the quarter ended 31 December 2021 being the balancing figure between the unpublished audited year to date figures up to the third quarter of the current financial year and unpublished audited year to date figures up to the second quarter of the current financial year.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.:116231WW-100024



Jhahanwijha Shyamsukha

Partner

Hyderabad

27 May 2022

Membership No.: 064550

UDIN:22064550AJSVQJ5330

Rainbow Children's Medicare Limited (formerly known as Rainbow Children's Medicare Private Limited)

CIN: U85110TG1998PLC029914

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

Corporate Office : 8-2-19/1/a, Daulat Archade, Karvy lane, Road No.11, Banjara Hills, Hyderabad, Telangana-500034

Tel: +91 40 4969 2244, e-mail : companysecretary@rainbowhospital.in

Statement of Audited Standalone financial results for the quarter and year ended 31 March 2022

(Rs. in Millions except per share data)

Particulars	Quarter ended			Year ended	
	31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
	Audited Refer Note 3	Audited Refer Note 5	Audited Refer Note 4	Audited	Audited
INCOME					
1. Revenue from operations	2,011.47	2,354.79	1,521.74	9,245.95	6,144.54
2. Other income	65.98	61.38	25.55	208.19	119.48
3. Total income [1+2]	2,077.45	2,416.17	1,547.29	9,454.14	6,264.02
4. EXPENSES					
a. Medical consumables and pharmacy items consumed	320.32	358.74	241.71	1,877.98	971.58
b. Employee benefits expense	298.91	275.92	245.97	1,094.12	961.04
c. Finance costs	154.86	107.92	120.03	500.05	416.88
d. Depreciation and amortisation expense	206.87	195.59	185.04	769.87	678.95
e. Professional fees to doctors	496.48	500.32	363.73	1,857.80	1,438.81
f. Other expenses	426.01	368.91	340.93	1,456.88	1,137.83
Total expenses	1,903.45	1,807.40	1,497.41	7,556.70	5,605.09
5. Profit before tax [3-4]	174.00	608.77	49.88	1,897.44	658.93
6. Tax expenses:					
a. Current tax	55.47	211.07	18.04	575.48	238.53
b. Deferred tax expense/(credit)	(25.90)	(43.30)	(13.83)	(100.95)	(73.74)
Total tax expense	29.57	167.77	4.21	474.53	164.79
7. Profit for the period/year [5-6]	144.43	441.00	45.67	1,422.91	494.14
8. Other comprehensive income					
Items that will not be reclassified to profit or loss					
Re-measurement gain on defined benefit plans	3.88	3.61	7.10	13.02	12.00
Income tax relating to items that will not be reclassified to profit or loss	(0.98)	(0.91)	(1.79)	(3.28)	(3.02)
Other comprehensive income for the period/year, net of tax	2.90	2.70	5.31	9.74	8.98
9. Total Comprehensive Income for the period/year [7+8]	147.33	443.70	50.98	1,432.65	503.12
10. Paid-up equity share capital (Face value of Rs. 10 each)	1,049.98	1,049.98	549.03	1,049.98	549.03
11. Other Equity				5,312.95	4,210.31
12. Earning per share (face value of share Rs.10 each) (Not annualised for the quarters)					
a. Basic (Rs)	1.61	4.50	0.72	15.18	5.50
b. Diluted (Rs)	1.57	4.40	0.69	14.87	5.36



Rainbow Children's Medicare Limited (formerly known as Rainbow Children's Medicare Private Limited)

CIN: U85110TG1998PLC029914

Registered Office : 8-2-120/103/1, Survey No. 403, Road No.2, Banjara Hills, Hyderabad, Telangana-500034
 Corporate Office : 8-2-19/1/a, Daulat Archade, Karvy lane, Road No.11, Banjara Hills, Hyderabad, Telangana-500034
 Tel: +91 40 4969 224-1, e-mail : companysecretary@rainbowhospitals.in

Standalone Balance Sheet

(Rs. in Millions except per share data)

Particulars	As at	
	31 March 2022	31 March 2021
	Audited	Audited
ASSETS		
Non-current assets		
a. Plant, property and equipment	3,996.54	3,778.27
b. Capital work-in-progress	46.00	286.82
c. Right-of-use of assets	4,119.34	3,429.81
d. Other intangible assets	12.68	13.72
e. Intangible assets under development	11.63	0.91
f. Financial assets		
(i) Investments	201.74	292.69
(ii) Loans	797.60	-
(iii) Other financial assets	548.16	534.48
g. Deferred tax assets (net)	115.06	17.39
h. Income tax assets (net)	48.90	42.02
i. Other non-current assets	157.35	128.74
Total non-current assets	10,055.00	8,524.85
Current assets		
a. Inventories	138.81	92.94
b. Financial assets		
(i) Investments	220.98	75.18
(ii) Trade receivables	412.72	454.48
(iii) Cash and cash equivalents	80.45	43.18
(iv) Bank balances other than (iii) above	1,671.00	804.41
(v) Loans	2.47	602.80
(vi) Other financial assets	172.50	-
c. Other current assets	99.71	100.46
Total current assets	2,798.64	2,173.45
TOTAL ASSETS	12,853.64	10,698.30
EQUITY AND LIABILITIES		
EQUITY		
a. Equity share capital	1,049.98	549.03
b. Other equity	5,312.95	4,210.31
TOTAL EQUITY	6,362.93	4,759.34
LIABILITIES		
Non-current liabilities		
a. Financial liabilities		
(i) Borrowings	273.11	405.19
(ii) Lease liabilities	4,992.05	4,315.63
b. Provisions	55.69	53.92
Total non-current liabilities	5,320.85	4,774.74
Current liabilities		
a. Financial liabilities		
(i) Borrowings	143.53	74.47
(ii) Lease liabilities	68.33	49.14
(iii) Trade payables		
a) Total outstanding dues to micro enterprises and small enterprises	58.76	0.53
b) Total outstanding dues to creditor other than micro enterprises and small enterprises	532.46	505.12
(iv) Other financial liabilities	223.89	387.27
b. Other current liabilities	128.87	85.16
c. Provisions	14.02	24.65
d. Current tax liabilities (net)	-	37.88
Total current liabilities	1,169.86	1,164.22
TOTAL EQUITY AND LIABILITIES	12,853.64	10,698.30




Rainbow Children's Medicare Limited (formerly known as Rainbow Children's Medicare Private Limited)

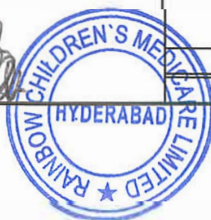
CIN: U85110TG1998PLC029914

Registered Office : 8-2-120/103/1, Survey No. 403, Road No.2, Banjara Hills, Hyderabad, Telangana-500034
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 Tel: +91 40 4969 2244, e-mail : companysecretary@rainbowhospitals.in

Standalone Statement of Cash Flows

(Rs. in Millions except per share data)

Particulars	Year ended	
	31 March 2022	31 March 2021
	Audited	Audited
Cash flows from Operating activities		
Profit before tax	1,897.44	658.93
Adjustments:		
Depreciation and amortisation expense	769.87	678.95
Dividend income	(7.69)	(2.02)
Net gain on financial assets measured at fair value through profit or loss	(3.36)	(0.15)
Unrealised foreign exchange loss, net	(0.05)	(0.18)
Interest income on financial assets carried at amortised cost	(133.91)	(110.84)
Finance cost	500.05	416.88
Net gain on sale of investment	(8.20)	-
Advances written off	3.72	-
Allowances for doubtful advances	3.57	-
Bad debts written off	-	3.14
Allowance for expected credit loss	25.13	19.78
Net loss / (gain) on sale of property, plant and equipment	0.92	(0.50)
Liabilities no longer required written back	(54.98)	(2.54)
	2,992.51	1,661.45
Adjustments for working capital:		
(Increase) / Decrease in inventories	(45.87)	53.27
Decrease / (Increase) in trade receivables	16.63	(35.50)
(Increase) in financial and other assets	(308.38)	(11.84)
Increase in trade payables	130.92	84.30
(Decrease) in financial liabilities and provisions	(24.97)	(70.99)
Cash generated from operations	2,760.84	1,680.69
Income tax paid	(620.24)	(265.10)
Net cash flow from operating activities (A)	2,140.60	1,415.59
Cash flows from investing activities		
Purchase of property, plant and equipment and intangibles including capital advances and capital work-in-progress	(585.21)	(754.38)
Proceeds from sale of property, plant and equipment	0.61	0.49
Proceeds from sale of / (Investments in) unquoted equity instruments	99.15	(96.46)
Bank deposits (placed) / matured with maturity of more than three months, net	(982.06)	(53.52)
Interest received	65.30	69.49
Dividend received	7.69	2.02
Investment in mutual funds placed, net	(142.44)	(29.43)
Loans advanced during the year	(238.70)	(282.73)
Loans realised during the year	83.66	276.60
Net cash used in investing activities (B)	(1,692.00)	(867.92)
Cash flows from financing activities		
Repayment of long-term borrowings	(60.71)	(52.58)
Repayment of lease liabilities	(476.31)	(417.16)
Interest paid	(45.25)	(52.46)
Proceeds from issue of share capital (net of share issue expense)	263.42	-
Dividend paid during the year on equity and preference shares	(92.48)	-
Repayments of short-term borrowings, (net)	-	(42.14)
Net cash used in financing activities (C)	(411.33)	(564.34)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	37.27	(16.67)
Cash and cash equivalents at the beginning of the year	43.18	59.85
Cash and cash equivalents at the end of the year (note b)	80.45	43.18



Notes:

1. The financial results of Rainbow Children's Medicare Limited (formerly known as Rainbow Children's Medicare Private Limited) ("the Company") have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 (the Act) read with the relevant rules thereunder and in terms of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The above results for the quarter and year ended 31 March 2022 were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 27 May 2022. The statutory auditors have expressed an unmodified audit opinion on these results.
3. The standalone figures for the quarter ended 31 March 2022 are the balancing figure between the audited standalone figures in respect of the full financial year and the unpublished audited year to date standalone figures up to the third quarter of the current financial year.
4. The standalone figures for the quarter ended 31 March 2021 are the balancing figure between the audited figures in respect of the full financial year ended 31 March 2021 and the unpublished audited year to date figures up to the third quarter of the financial year ended 31 March 2021.
5. The standalone figures for the quarter ended 31 December 2021 are the balancing figure between the unpublished audited year to date figures up to the third quarter of the current financial year and unpublished audited year to date figures up to the six months period ended 30 September 2021 of the current financial year.
6. The Company on 1 December 2021 has issued and allotted bonus equity shares in the ratio of 1:1 for every one equity share and every one preference share held. The Company has issued and allotted equity shares through rights issue to an existing shareholder on 22 October 2021. The exercise price is less than the fair value of the equity shares and hence the inherent discount is similar to a bonus issue as per Ind AS 33. In line with the requirements of Ind AS 33, for the purpose of EPS calculations, bonus shares issued and the bonus element in rights issue of shares has been retrospectively adjusted as if the event had occurred at the beginning of the earliest period presented.
7. The Board of Directors of the Company recommend dividend for the financial year 2021-22 Rs. 2.00 (2020-21 Rs. 2.00) per Equity Share of Rs.10 each. The payment is subject to approval of the shareholders at the ensuing Annual General Meeting of the Company.
8. Subsequent to the year end, the Company has completed Initial Public Offering of 29,168,579 Equity Shares of face value of Rs. 10 each of the Company for at an issue price of Rs. 542 per equity share (including a share premium of Rs. 532 per equity share, eligible employees bidding in the employee's reservation portion were offered a discount of Rs. 20 per equity share) aggregating to Rs. 15,808.49 million comprising a fresh issue of 5,167,679 Equity Shares aggregating to Rs. 2,800.00 million and an offer for sale of 24,000,900 Equity shares aggregating to Rs. 13,008.49 million. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f 10 May 2022.
9. Subsequent to the year end, the Board of Directors of the Company in their meeting held on 04 April 2022, approved conversion of (i) 1,146,771 0.0001% Series A Compulsorily Convertible Preference Shares (CCPS) of face value of Rs. 48 each into 1,146,771 Equity Shares of Rs. 10 each and (ii) 1,133,309 0.0001% Series B Compulsorily Convertible Preference Shares of face value of INR 48 each into 1,133,309 Equity Shares of Rs. 10 each, at a conversion ratio of 1:1, ranking pari passu with the existing Equity Shares of the Company.
10. The Ministry of Corporate Affairs (MCA) vide notification dated 24 March 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures. Amendments are applicable from 01 April 2021. The Company has incorporated the changes as per the said amendment in the above results and has also changed comparative numbers wherever it is applicable.



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

Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Place : Hyderabad
Date : 27 May 2022

B S R & Associates LLP

Chartered Accountants

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Independent Auditor's Report

To the Board of Directors of Rainbow Children's Medicare Limited (formerly known as 'Rainbow Children's Medicare Private Limited')

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Rainbow Children's Medicare Limited (formerly known as 'Rainbow Children's Medicare Private Limited') (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the year ended 31 March 2022, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid consolidated annual financial results:

- a. include the annual financial results of the following entities:
 - Rainbow Children's Hospital Private Limited
 - Rainbow Women and Children's Hospitals Private Limited
 - Rainbow Speciality Hospitals Private Limited
 - Rosewalk Healthcare Private Limited
 - Rainbow Fertility Private Limited
 - Rainbow C R O Private Limited
- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, along with the consideration of reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.



Independent Auditor's Report (Continued)

Rainbow Children's Medicare Limited (formerly known as 'Rainbow Children's Medicare Private Limited')

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Management and the Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

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

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the Management and Board of Directors.

Independent Auditor's Report (Continued)

Rainbow Children's Medicare Limited (formerly known as 'Rainbow Children's Medicare Private Limited')

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial results of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the "Other Matters" paragraph in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matter(s)

- a. The consolidated annual financial results include the audited financial results of six subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 594.93 million as at 31 March 2022, total revenue (before consolidation adjustments) of Rs. 510.22 million and total net loss after tax (before consolidation adjustments) of Rs. 36.18 million and net cash inflows (before consolidation adjustments) of Rs 5.95 million for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management.
Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.
Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.
- b. (i) The consolidated annual financial results include the results for the quarter ended 31 March 2022 being the balancing figure between the audited figures in respect of the full financial year and the unpublished audited year to date figures up to the third quarter of the current financial year.
(ii) The consolidated annual financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year ended 31 March 2021 and the unpublished audited year to date figures up to the third quarter of the financial year

B S R & Associates LLP

Independent Auditor's Report (Continued)

**Rainbow Children's Medicare Limited (formerly known as 'Rainbow
Children's Medicare Private Limited')**

ended 31 March 2021.

(iii) The consolidated annual financial results include the results for the quarter ended 31 December 2021 being the balancing figure between the unpublished audited year to date figures up to the third quarter of the current financial year and unpublished audited year to date figures up to the second quarter of the current financial year.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No.: 116231WW-100024

J Shyamoule

Jhahanwijha Shyamsukha

Partner

Hyderabad

27 May 2022

Membership No.: 064550

UDIN:22064550AJSVGT4073

Rainbow Children's Medicare Limited (formerly known as Rainbow Children's Medicare Private Limited)

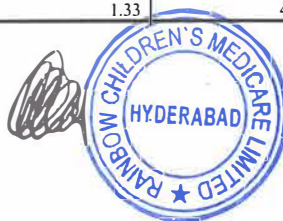
CIN: U85110TG1998PLC029914

Registered Office : 8-2-120/103/1, Survey No. 403, Road No.2, Banjara Hills, Hyderabad, Telangana-500034
 Corporate Office : 8-2-19/1/a, Daulat Archade, Karvy lane, Road No.11, Banjara Hills, Hyderabad, Telangana-500034
 Tel: +91 40 4969 2244, e-mail : companysecretary@rainbowhospitals.in

Statement of Audited Consolidated financial results for the quarter and year ended 31 March 2022

(Rs. in Millions except per share data)

Particulars	Quarter ended			Year ended	
	31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
	Audited Refer Note 3	Audited Refer Note 5	Audited Refer Note 4	Audited	Audited
INCOME					
1. Revenue from operations	2,124.47	2,487.56	1,638.76	9,737.58	6,500.47
2. Other income	61.86	57.14	21.41	189.37	102.63
3. Total income [1+2]	2,186.33	2,544.70	1,660.17	9,926.95	6,603.10
4. EXPENSES					
a. Medical consumables and pharmacy items consumed	337.61	380.84	272.74	1,947.29	1,032.62
b. Employee benefits expense	317.13	291.49	253.63	1,160.71	1,020.94
c. Finance costs	162.78	115.89	128.13	532.03	440.63
d. Depreciation and amortisation expense	222.82	211.30	201.24	832.63	733.38
e. Professional fees to doctors	535.36	534.66	414.84	2,037.60	1,594.55
f. Other expenses	453.04	387.89	374.64	1,543.23	1,224.02
Total expenses	2,028.74	1,922.07	1,645.22	8,053.49	6,046.14
5. Profit before tax [3-4]	157.59	622.63	14.95	1,873.46	556.96
6. Tax expenses:					
a. Current tax	55.62	211.16	18.14	576.13	239.12
b. Deferred tax expense/(credit)	(20.63)	(40.48)	(13.62)	(89.40)	(77.84)
Total tax expense	34.99	170.68	4.52	486.73	161.28
7. Profit for the period/year [5-6]	122.60	451.95	10.43	1,386.73	395.68
8. Other comprehensive income					
Items that will not be reclassified to profit or loss					
Re-measurement gain/(losses) on defined benefit plans	4.19	3.70	7.45	13.63	12.54
Income tax relating to re-measurement gain/(losses) on defined benefit plans	(1.02)	(0.90)	(1.84)	(3.36)	(3.10)
Other comprehensive income for the period/year, net of tax	3.17	2.80	5.61	10.27	9.44
9. Total Comprehensive Income for the period/year [7+8]	125.77	454.75	16.04	1,397.00	405.12
Profit for the period/year attributable to:					
Owners of the Company	121.94	449.43	12.78	1,382.66	400.18
Non-controlling interests	0.66	2.52	(2.35)	4.07	(4.50)
Other comprehensive income for the period/year attributable to:					
Owners of the Company	3.15	2.80	5.60	10.23	9.41
Non-controlling interests	0.02	0.00	0.01	0.04	0.03
Total comprehensive income for the period/year attributable to:					
Owners of the Company	125.09	452.23	18.38	1,392.89	409.59
Non-controlling interests	0.68	2.52	(2.34)	4.11	(4.47)
Total comprehensive income for the period/year	125.77	454.75	16.04	1,397.00	405.12
10. Paid-up equity share capital (Face value of Rs. 10 each)	1,049.98	1,049.98	549.03	1,049.98	549.03
11. Other Equity				4,978.06	3,914.60
Earning per share (face value of share Rs.10 each) (Not annualised for the quarters)					
- Basic (Rs)	1.36	4.60	0.14	14.75	4.27
- Diluted (Rs)	1.33	4.50	0.13	14.45	4.17



Rainbow Children's Medicare Limited (formerly known as Rainbow Children's Medicare Private Limited)

CIN: U85110TG1998PLC029914

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

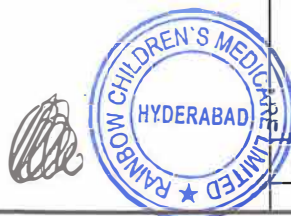
Corporate Office : 8-2-19/1/a, Daulet Archade, Karvy lane, Road No.11, Banjara Hills, Hyderabad, Telangana-500034

Tel: +91 40 4969 2244, e-mail : companysecretary@rainbowhospitals.in

Consolidated Balance Sheet

(Rs. in Millions except per share data)

Particulars	As at 31 March 2022	As at 31 March 2021
ASSETS		
Non-current assets		
a. Property, plant and equipment	4,186.93	3,988.95
b. Capital work-in-progress	45.97	286.79
c. Right-of-use of assets	4,353.94	3,688.95
d. Goodwill	29.87	29.87
e. Other intangible assets	13.69	15.31
f. Intangible assets under development	11.59	0.87
g. Financial assets		
(i) Investments	0.03	80.03
(ii) Loans	507.26	-
(iii) Other financial assets	555.92	546.90
h. Deferred tax assets (net)	113.95	27.88
i. Income tax assets (net)	57.70	44.92
j. Other non-current assets	178.58	131.04
Total non-current assets	10,055.43	8,841.51
Current assets		
a. Inventories	148.23	100.97
b. Financial assets		
(i) Investments	220.98	102.62
(ii) Trade receivables	404.07	439.65
(iii) Cash and cash equivalents	99.79	56.58
(iv) Bank balances other than (iii) above	1,752.36	890.16
(v) Loans	-	277.94
(vi) Other financial assets	172.50	-
c. Other current assets	104.13	103.24
Total current assets	2,902.06	1,971.16
TOTAL ASSETS	12,957.49	10,812.67
EQUITY AND LIABILITIES		
EQUITY		
a. Equity share capital	1,049.98	549.03
b. Other equity	4,978.06	3,914.60
Equity attributable to owners of the Company	6,028.04	4,463.63
Non-controlling interest	34.61	20.13
TOTAL EQUITY	6,062.65	4,483.76
LIABILITIES		
Non-current liabilities		
a. Financial liabilities		
(i) Borrowings	273.11	405.20
(ii) Lease liabilities	5,312.37	4,647.74
b. Provisions	57.49	55.19
Total non-current liabilities	5,642.97	5,108.13
Current liabilities		
a. Financial liabilities		
(i) Borrowings	143.53	74.47
(ii) Lease liabilities	80.06	57.33
(iii) Trade payables		
a) Total outstanding dues to micro enterprises and small enterprises	62.58	0.53
b) Total outstanding dues to creditor other than micro enterprises and small enterprises	581.16	536.72
(iv) Other financial liabilities	229.77	394.55
b. Other current liabilities	139.65	94.03
c. Provisions	14.52	24.70
d. Current tax liabilities (net)	0.60	38.45
Total current liabilities	1,251.87	1,220.78
TOTAL EQUITY AND LIABILITIES	12,957.49	10,812.67



Rainbow Children's Medicare Limited (formerly known as Rainbow Children's Medicare Private Limited)

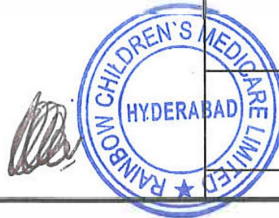
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 Tel: +91 40 4969 2244, e-mail : companysecretary@rainbowhospitals.in

Consolidated Statement of Cash Flows

(Rs. in Millions except per share data)

Particulars	Year ended	
	31 March 2022	31 March 2021
	Audited	Audited
Cash flows from operating activities		
Profit before tax	1,873.46	556.96
Adjustments:		
Depreciation and amortisation expense	832.63	733.38
Dividend income	(8.28)	(2.64)
Unrealised foreign exchange loss, net	(0.05)	0.01
Net gain on financial assets measured at fair value through profit or loss	(3.36)	(0.17)
Interest income on financial assets carried at amortised cost	(114.67)	(90.41)
Finance costs	532.03	440.63
Advances written off	3.72	-
Allowances for doubtful advances	3.57	-
Allowance for expected credit loss	25.89	27.60
Bad debts written off	0.71	3.15
Net loss / (gain) on sale of property, plant and equipment	0.92	(1.08)
Net gain on sale of Investment	(8.20)	-
Liabilities no longer required written back	(54.81)	(3.34)
	3,083.56	1,664.09
Adjustments for working capital:		
(Increase) / Decrease in inventories	(47.26)	58.80
Decrease / (Increase) in trade receivables	8.98	(30.77)
(Increase) in financial and other assets	(309.60)	(4.38)
Increase / (Decrease) in trade payables	151.23	(48.22)
(Decrease) / Increase in financial liabilities and provisions	(22.87)	52.51
Cash generated from operations	2,864.04	1,692.03
Income tax paid	(626.76)	(264.89)
Net cash flow from operating activities (A)	2,237.28	1,427.14
Cash flows from investing activities		
Purchase of property, plant and equipment and intangibles including capital advances and capital work-in-progress	(622.25)	(761.03)
Proceeds from sale of property, plant and equipment	0.61	2.25
Bank deposits (placed) / matured with maturity of more than three months, net	(971.04)	(45.21)
Interest received	50.92	74.97
Dividend received	11.64	2.64
Investment in mutual funds placed, net	(118.36)	(3.62)
Proceeds from sale of / (investments in) unquoted equity instruments	88.20	(80.00)
Loans advanced during the year	(197.13)	(221.75)
Loans realised during the year	3.96	202.95
Net cash used in investing activities (B)	(1,753.45)	(828.80)
Cash flows from financing activities		
Repayment of long-term borrowings	(60.72)	(52.57)
Repayment of lease liabilities	(516.54)	(445.04)
Interest paid	(45.25)	(52.48)
Dividend paid during the year on equity and preference shares	(92.48)	-
Proceeds from issue of share capital (net of share issue expense)	263.42	-
Repayments of short-term borrowings, (net)	-	(42.14)
Net consideration received on dilution of investment in subsidiary	10.95	-
Net consideration paid for acquisition of shares in subsidiary	-	(16.50)
Net cash used in financing activities (C)	(440.62)	(608.73)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	43.21	(10.39)
Cash and cash equivalents at the beginning of the year	56.58	66.97
Cash and cash equivalents at the end of the year (note b)	99.79	56.58



Notes :

1. The financial results of Rainbow Children's Medicare Limited (formerly known as Rainbow Children's Medicare Private Limited) ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 (the Act) read with the relevant rules thereunder and in terms of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The above results for the quarter and year ended 31 March 2022 were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 27 May 2022. The statutory auditors have expressed an unmodified audit opinion on these results.
3. The consolidated figures for the quarter ended 31 March 2022 are the balancing figure between the audited consolidated figures in respect of the full financial year and the unpublished audited year to date consolidated figures up to the third quarter of the current financial year.
4. The consolidated figures for the quarter ended 31 March 2021 are the balancing figure between the audited figures in respect of the full financial year ended 31 March 2021 and the unpublished audited year to date figures up to the third quarter of the financial year ended 31 March 2021.
5. The consolidated figures for the quarter ended 31 December 2021 are the balancing figure between the unpublished audited year to date figures up to the third quarter of the current financial year and unpublished audited year to date figures up to the six months ended 30 September 2021 of the current financial year.
6. The Company on 1 December 2021 has issued and allotted bonus equity shares in the ratio of 1:1 for every one equity share and every one preference share held. The Company has issued and allotted equity shares through rights issue to an existing shareholder on 22 October 2021. The exercise price is less than the fair value of the equity shares and hence the inherent discount is similar to a bonus issue as per Ind AS 33. In line with the requirements of Ind AS 33, for the purpose of EPS calculations, bonus shares issued and the bonus element in rights issue of shares has been retrospectively adjusted as if the event had occurred at the beginning of the earliest period presented.
7. The Board of Directors recommend dividend for the financial year 2021-22 Rs. 2.00 (2020-21 Rs. 2.00) per Equity Share of Rs.10 each. The payment is subject to approval of the shareholders at the ensuing Annual General Meeting of the Company.
8. Subsequent to the year end, the Company has completed Initial Public Offering of 29,168,579 Equity Shares of face value of Rs. 10 each of the Company at an issue price of Rs. 542 per equity share (including a share premium of Rs. 532 per equity share, eligible employees bidding in the employee's reservation portion were offered a discount of Rs. 20 per equity share), aggregating to Rs. 15,808.49 million comprising a fresh issue of 5,167,679 Equity Shares aggregating to Rs. 2,800.00 million and an offer for sale of 24,000,900 Equity shares aggregating to Rs. 13,008.49 million. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from 10 May 2022.
9. Subsequent to the year end, the Board of Directors of the Company in their meeting held on 04 April 2022, approved conversion of (i) 1,146,771 0.0001% Series A Compulsorily Convertible Preference Shares (CCPS) of face value of Rs. 48 each into 1,146,771 Equity Shares of Rs. 10 each and (ii) 1,133,309 0.0001% Series B Compulsorily Convertible Preference Shares of face value of INR 48 each into 1,133,309 Equity Shares of Rs. 10 each, at a conversion ratio of 1:1, ranking pari passu with the existing Equity Shares of the Company.
10. The Company's operating segment is 'Medical and Healthcare Services'. Since the Group has a single operating segment, disclosure pertaining to segments as per Regulation 33(1)(e) read with clause (L) of Part A of Schedule IV of the SEBI Regulations is not applicable.
11. The Ministry of Corporate Affairs (MCA) vide notification dated 24 March 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures. Amendments are applicable from 01 April 2021. The Group has incorporated the changes as per the said amendment in the above results and has also changed comparative numbers wherever it is applicable.

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



Dr. Ramesh Kancharla
Chairman and Managing Director
DIN: 00212270

Place : Hyderabad
Date : 27 May 2022



May 27, 2022

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051.

BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001.

Sub: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015.

Dear Sir/ Madam,

Pursuant to the provisions of Regulation 33(3)(d) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, we hereby declare that M/s BSR & Associates LLP, Statutory Auditors of the Company have issued an Audit Report with unmodified opinion on the Audited Standalone and Consolidated Financial Results for the Quarter and Financial Year ended March 31, 2022.

We request you to kindly take the same on record.

Thanking You,

Yours Faithfully,

For Rainbow Children's Medicare Limited


R. Gowrisankar
Chief Financial Officer



Rainbow Children's Medicare Limited

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

Corporate Office: 8-2-19/1/a, Daulat Arcade, Karvy lane, Road No. 11, Banjara Hills, Hyderabad, Telangana - 500034

Hyderabad: Banjara Hills - 040 22334455 | Secunderabad - 040 42462200 | Kondapur IP - 040 42462400 |
Kondapur OP - 040 42462100 | Hyder Nagar - 040 42462300 | L B Nagar - 040 71111333

Vijayawada: Currency Nagar - 0866 6669666 | Governorpet - 0866 6650250 | **Chennai:** Guindy - 044 40122444

Bengaluru: Marathahalli - 080 71112345 | Bannerghatta Road - 080 25512345 | Hebbal - 080 35061555

Delhi: Malviya Nagar - 011 66888866 | **Visakhapatnam:** Health City, Chinagadili - 0891 3501601 | Siripuram - 0891 3501555