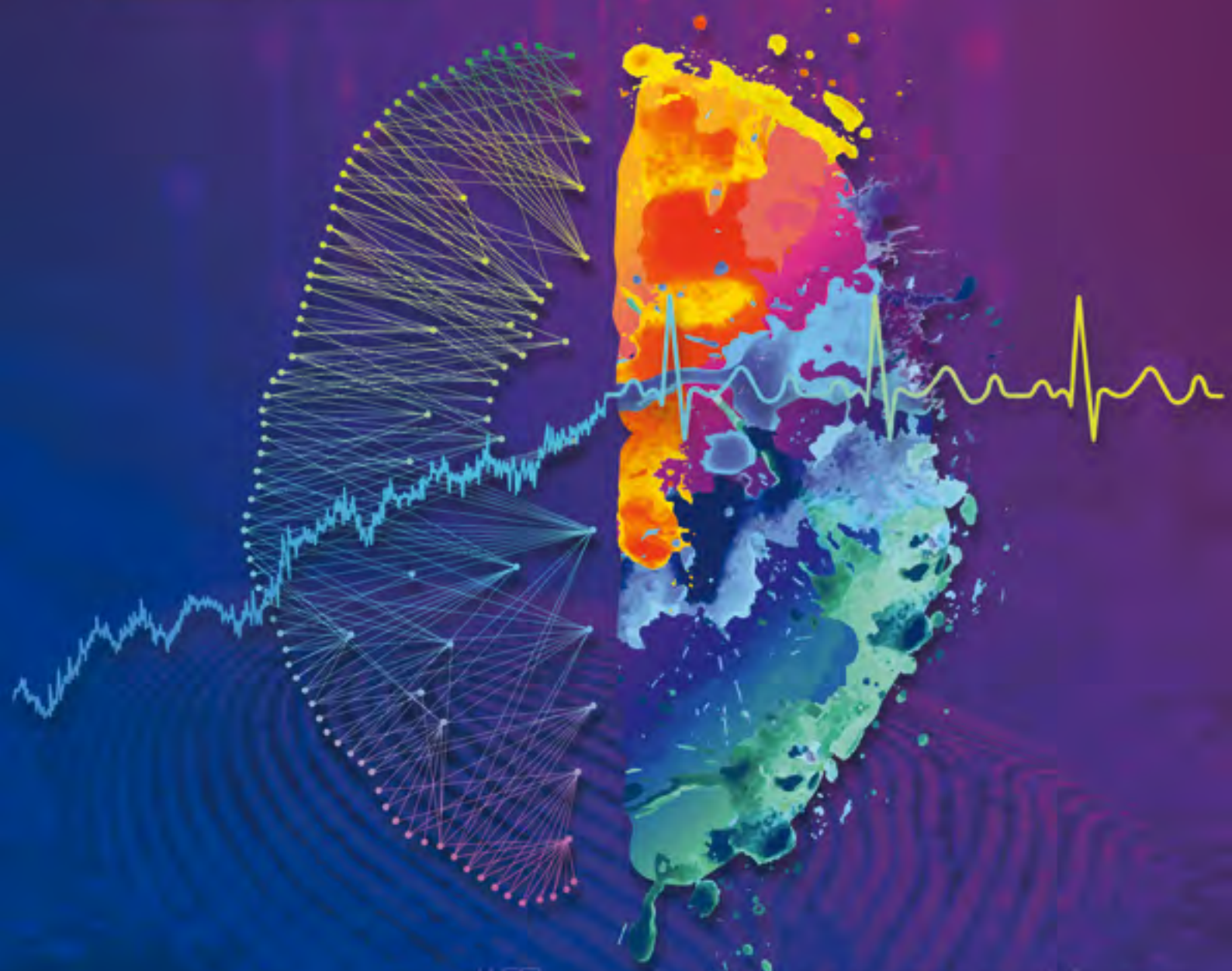


Annual report 2017-18

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virinchi



"To raise new questions,
new possibilities, to
regard old problems from
Trust and Technology
creative imagination and
marks real advance in
science." - Albert Einstein

Each side of our brain controls different types of thinking. The left brain is more analytical and logical; the right brain is more intuitive and creative. At Virinchi Limited, our business verticals - Information Technology (IT) and Healthcare – are woven around the same analogy: logical cum data-driven on the one hand and innovative cum creative on the other.

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Disclaimer

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions.

The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should kindly bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Trust and Technology

At Virinchi, we believe that in a rapidly transforming world, there is a premium on **trust**.

In our businesses – Information Technology and Health care – we have enhanced trust through proactive investments in cutting-edge technologies.

Making it possible to deliver superior value to our customers through both businesses – business-strengthening IT solutions on the one hand and better health care on the other.

The background is a complex digital collage. At the top, there's a red and white bar chart. Below it, a red line graph with peaks and valleys. In the center, a human brain is depicted in a blue, translucent style, with glowing red and white nodes connected by lines, suggesting neural networks or data processing. At the bottom, a fingerprint is visible, rendered in a blue, translucent style. The overall color palette is dominated by deep blues, purples, and reds, with a futuristic, high-tech feel.

9 things you need to know about Virinchi Limited

1 Background

Established in 1990 by Mr. Viswanath Kompella, Virinchi Limited is engaged in the businesses of information technology and health care. The Company (through Virinchi Health Care Private Limited, a 100%-subsidiary) operates 3 hospitals comprising 550 beds employing 200 experienced 150+ super-specialists, 90 surgeons and 60 physicians and 50 specialists and duty doctors).

2 Presence

The Company is headquartered in Hyderabad (India). Its IT engagements are undertaken in two development centres (Banjara Hills and Hakimpet). The Company's three hospitals are operating across Hyderabad.

3 Ethical mooring

Vision: To be the best in what we do through a combination of vision, service, technology and competence.

Mission: To achieve global benchmarks through adoption of ongoing innovation in the healthcare and technology domains.

4 Goals

IT vertical: 'To build globally inclusive solutions'

- Building a suite of fin-tech products to reach the unserved
- Developing deep specialised technology solutions for the healthcare and finance domains

- Developing delivery capability and client footprint for next-generation technology services including SMAC domains, particularly machine learning and big data analytics

Healthcare vertical: 'To serve a billion patients' by 2022-23

- Securing a robust presence in some of the medically underserved markets in India
- Delivering personalised medicine through data analytics and combinatorics on a single healthcare mobility platform

5 Services profile

Annuity-based IT products and IT-enabled business services

The Company is a global leader in providing IT solutions to the retail micro lending industry in North America through its flagship QFund product. The Company forged strategic alliances with industry experts. Its 'ready-to-deploy' products map organisational requirements to facilitate the creation of a world-class enterprise-wide e-business practice. The Company is respected for technical, financial and infrastructural support.

Healthcare delivery and IT-enabled business services

The Company's three state-of-the-art multispecialty hospitals deliver advanced medical care by leveraging sophisticated IT and mobility-based systems.

Virinchi Learning is a healthcare skill development organisation working in collaboration with the National Skill Development Council to enhance skills of 80,000 healthcare workers across the healthcare delivery and biotechnology spaces.

Virinchi Combinatorics and Systems Biology aims to develop a comprehensive programme for population health management through aggregated analytics on biomarkers and clinical outcomes.

6 Services

Virinchi Limited's robust product development processes guarantee the seamless implementation, maintenance and support of software solutions, which are at par with global standards and acknowledged by clients worldwide. The Company manages turnkey projects by building, managing and supporting IT systems across infrastructure, application and business process verticals. Virinchi's capabilities span the IT spectrum – architecture, hardware, software, network consulting and IT-enabled processing services.

7 Listing

The Company's equity shares are listed and actively traded on the Bombay Stock Exchange. The Company enjoyed a market capitalisation of ₹2907.87 million as on 31st March 2018.

8 Awards and recognitions

- The Times Health Care 2018 Award for Telugu-speaking states
- 5 Individual Doctor Recognitions
- The Times Health Care 2017 Award for Telugu-speaking states
- 'Emerging Hospital of the Year' in the multi-specialty hospital category
- 'Best Hospital – Radiology'
- 'Best Hospital – Nephrology'
- 7 Individual Doctor Recognitions

State of Telangana Awards, 2016-17

- Best in terms of revenues earned among IT SMEs for FY2015-16

Hyderabad Software Exporters Association 2017

- 'Best Indian IT SME' for FY2015-16

9 Certifications

IT

- ISO 9001:2000
- CMMi Level 3

Healthcare

- Cleanroom (certified by Carnegie Mellon's Software Engineering Institution)

Ceiling Mounted
Large Detector Panel
IVUS Cath Lab





TRUST AND TECHNOLOGY

At Virinchi, we believe that technology represents the cutting-edge of our company across both business – for the benefit of customers and employees.

In view of this, the Company made proactive investments in cutting-edge technologies, shrinking process time, enhancing process

predictability and strengthening customer outcomes – the basis of business sustainability.

While the Company's technology investment in the information technology business was made in line with the prevailing standards of the day, investments in the health care business established the Company as a sectoral outlier.



Virinchi’s superior healthcare equipment

The Company is among few Indian hospitals to have invested in the following equipment:

3Tesla fMRI	128 Slice Dual Energy Spectral CT	Ceiling Mounted large detector panel IVUS Cathlab
<ul style="list-style-type: none">• Can largely replace the need for nuclear scans• Can identify fibrosis of the liver in a non-invasive manner• Less claustrophobic• Lower radiation levels• Scanning speed faster and less noisy	<ul style="list-style-type: none">• Useful in coronary CT angiography• Strong alternative for invasive coronary angiogram• Helped move from mere evaluation of coronary stenosis to imaging tool that permits accurate plaque characterization and assessment of myocardial perfusion	<ul style="list-style-type: none">• Useful for high end cardiovascular, neurological and interventional radiology procedures• EP Lab-integrated• Fitted with fractional flow reserve for a quantitative assessment of pressure differences across stenosis• Radiation 40% lower• Versatility of movement around patient



Ultrasound studio with a separate patient attendant monitor



The Company developed a mobile app (V23) integrated with another 48 apps to provide additional facilities and services

The brick and click model of the Company's health care business has helped build a technology-based ecosystem for the benefit of patients, doctors and other stakeholders. The Company developed a mobile app (V23) integrated with another 48 apps integrated to provide additional facilities and services. The app services comprise:

Patient benefit

- When a patient's visit to our doctor ends, he/she gets a prescription via V23 App.
- The patient can select the pharmacy of choice on the app
- The prescription is forwarded to the pharmacy through the app; the medication is readied for the patient to collect and pay.
- A number of diagnostic laboratories are registered on the app; patients get test results directly on their mobiles
- The app facilitates the booking of doctor appointments; the patient can view the queue length and position in the patient queue.
- Notes can be made on the V23 platform for anywhere analysis and can be preserved for reference.
- Emergency patients can enter into a video conference with doctors for checks / consultations mitigating the need to commute to the clinic or hospital.
- Consultation can be booked by the patient online
- Ambulance arrival can be tracked real-time through the app

Virinchi collaborated with Philips to develop a system (ICCA) for its critical care unit (100 beds). Each bed is coupled with a monitor recording the patient's critical statistics. The Company integrated data from bed-side monitors into an app-based platform that enhances prioritization in reaching out to patients needing immediate attention (information also available to doctors).

Doctor benefit

- Doctors can view appointments and surgery schedules on the app.
- They can view patient reports on their mobiles, facilitating proactive analysis.

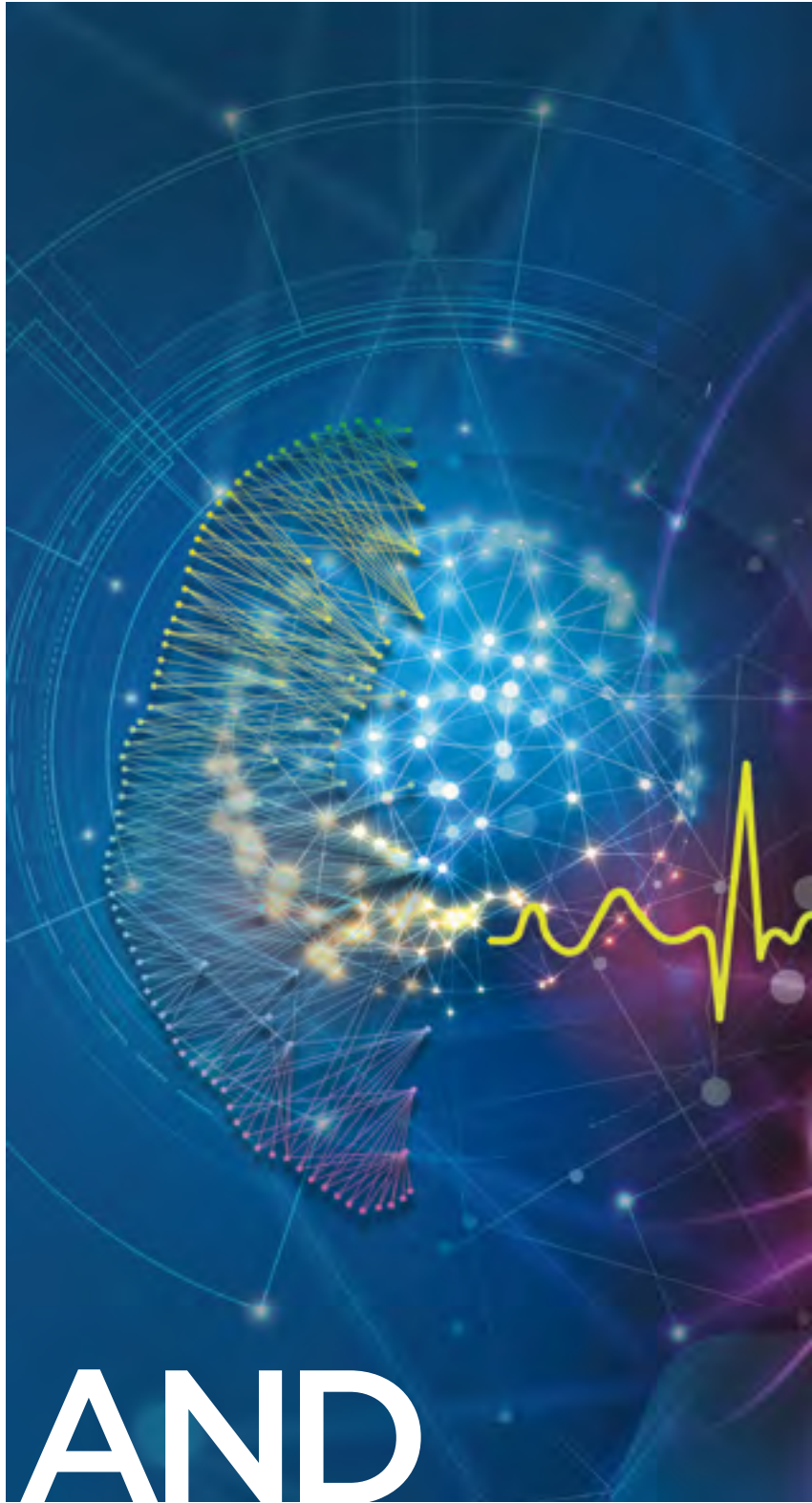
Virinchi's technological innovation in its IT business

The Company invested proactively in Artificial Intelligence (AI) especially in video analytics, image recovery and speech-to-text.

The Company intends to replace bio-metric employee attendance record with facial recognition software.

This work in AI is expected to be applicable across various products (QFund).

The Company is collaborating with the Uttar Pradesh government in the development of mobile apps to be used by 1000 public sector hospitals in that state, servicing millions of patients.



TRUST AND KNOWLEDGE