



This is an abridged prospectus containing salient features of the Red Herring Prospectus dated April 19, 2022 (the “RHP” or “Red Herring Prospectus”). You are encouraged to read greater details available in the RHP. <https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListing=yes&sid=3&ssid=15&smid=11>

**THIS ABRIDGED PROSPECTUS CONSISTS OF FOUR PAGES OF BID CUM APPLICATION FORM ALONGWITH INSTRUCTIONS AND SIX PAGES OF ABRIDGED PROSPECTUS. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**



**RAINBOW CHILDREN'S MEDICARE LIMITED**

**Corporate Identity Number: U85110TG1998PLC029914; Date of Incorporation: August 7, 1998**

Registered Office and Corporate Office	Contact Person	Email and Telephone	Website
Registered Office: 8-2-120/103/1, Survey No. 403, Road No 2, Banjara Hills, Hyderabad – 500 034, Telangana Corporate Office: 8-2-19/1/A, Daulat Arcade, Road No. 11, Banjara Hills, Hyderabad – 500 034, Telangana	Ashish Kapil, Company Secretary and Compliance Officer	Email: <a href="mailto:companysecretary@rainbowhospitals.in">companysecretary@rainbowhospitals.in</a> Telephone: +91 40 49692244	<a href="http://www.rainbowhospitals.in">www.rainbowhospitals.in</a>

**OUR PROMOTERS: DR. RAMESH KANCHARLA, DR. DINESH KUMAR CHIRLA AND DR. ADARSH KANCHARLA**

**Details of Offer to Public**

Type of Offer	Fresh Issue Size (by no. of shares or by amount in ₹)	OFS Size (by no. of shares or by amount in ₹)	Total Offer Size (by no. of shares or by amount in ₹)	Offer Under 6(1)/ 6(2)	Share Reservation among QIB, NIB, RIB& Employee			
Fresh Issue and Offer for Sale	Up to ₹ 2,800.00 million	Up to 24,000,900 Equity Shares	Up to ₹ [•] million	The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations, as the Company fulfils the requirements set out under Regulation 6(1) of the SEBI ICDR Regulations.	QIB	NIB	RIB	Employee
					Not more than 50% of the Net Offer	Not less than 15% of the Net Offer	Not less than 35% of the Net Offer	Up to 300,000 Equity Shares aggregating up to ₹ [•] million

These equity shares are proposed to be listed on NSE (Designated Stock Exchange) and BSE; OFS: Offer for Sale

**Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders:**

Name of Selling Shareholder	Type of Selling Shareholder	Number of Shares Offered/ Amount (₹ In Million)	Proportion In OFS Size (%)	Weighted Average Cost of Acquisition on a Fully Diluted Basis (In ₹)*
Dr. Ramesh Kancharla	Promoter	Up to 5,354,630 Equity Shares	22.31%	7.32
Dr. Dinesh Kumar Chirla	Promoter	Up to 1,926,690 Equity Shares	8.03%	0.91
Dr. Adarsh Kancharla	Promoter	Up to 1,445,020 Equity Shares	6.02%	Nil <sup>^</sup>
British International Investment PLC (Formerly Known as CDC Group PLC)	Other (Investor)	Up to 9,632,876 Equity Shares	40.14%	54.50
CDC India	Other (Investor)	Up to 5,033,236 Equity Shares	20.97%	110.29
Padma Kancharla	Promoter group	Up to 608,448 Equity Shares	2.53%	Nil <sup>#</sup>

\*As certified by Madhu Mantri and Associates, Chartered Accountants by way of their certificate dated April 19, 2022.

<sup>^</sup>The weighted average price per Equity Share acquired is 'Nil' since, out of the 7,555,452 shares held by Dr. Adarsh Kancharla: (i) 2,311,950 shares were acquired by way of gift from Dr. Ramesh Kancharla on March 23, 2018; (ii) 1,465,776 shares were acquired by way of gift from Padma Kancharla on November 15, 2021; and (iii) 3,777,726 shares were acquired by way of bonus issue on December 1, 2021.

<sup>#</sup>The weighted average price per Equity Share acquired is 'Nil' since, out of the 608,448 shares held by Mrs. Padma Kancharla: (i) 450,000 shares were acquired at Rs 10 on March 28, 2008 and 1,350,000 shares by way of bonus issue on January 23, 2018; (ii) On November 15, 2021, 1,465,776 shares have been transferred. As for calculation of average cost of acquisition, first in first out (FIFO) method has been followed and the same has been deducted from 450,000 and the remaining shares from 1,350,000; (iii) Accordingly, 304,224 shares left in bonus shares acquired on January 23, 2018; and (iv) Remaining 304,224 shares were acquired from bonus issue on December 1, 2021. For details, see “Capital Structure – Notes to the Capital Structure – Share Capital History of our Company – Equity Share Capital” on page 113 of the RHP.

**PRICE BAND, MINIMUM BID LOT & INDICATIVE TIMELINES**

Price Band	₹ 516 to ₹ 542 per Equity Share of face value of ₹ 10 each.
For details of the Price Band and the basis for Offer Price, please refer to the price band advertisement and the section titled “Basis for Offer Price” on page 171 of the RHP.	
Minimum Bid Lot Size	27 Equity Shares
Bid/Offer Opens On	Wednesday, April 27, 2022*
Bid/ Offer Closes On	Friday, April 29, 2022
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Thursday, May 5, 2022
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account*	On or about Friday, May 6, 2022
Credit of the Equity Shares to depository accounts of Allottees	On or about Monday, May 9, 2022
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Tuesday, May 10, 2022

\* Our Company, Dr. Ramesh Kancharla (acting on behalf of the other Promoter Selling Shareholders and the Other Selling Shareholder) and the Investor Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

\*\*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated in accordance with the applicable law by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable. The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

The above timetable is indicative and does not constitute any obligation on our Company, Selling Shareholders or the BRLMs.

## IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS

Details of WACA of all Equity shares transacted in last eighteen months preceding the date of the RHP:

Period	Weighted average cost of acquisition (in ₹) <sup>^</sup>	Cap Price is (₹ 542) 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: lowest price – highest price (in ₹) <sup>^</sup>
Last eighteen months	7.80	69.49	Nil – 70

<sup>WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of RHP.</sup>

<sup>As certified by Madhu Mantri and Associates, Chartered Accountants, in their certificate dated April 19, 2022</sup>

### RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10. The Offer Price, Floor Price or the Price Band as determined by our Company, Dr. Ramesh Kancharla (acting on behalf of the other Promoter Selling Shareholders and the Other Selling Shareholder) and the Investor Selling Shareholders, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Offer Price” on page 171 of the RHP should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 47 of the RHP and page 7 of this Abridged Prospectus.

### PROCEDURE

You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the Stock Exchanges, Syndicate Members, Registrar to the Offer, Registrar and Share Transfer Agents (“RTAs”), Collecting Depository Participants (“CDPs”), Registered Brokers, Underwriters, Bankers to the Offer, Investors’ Associations or Self Certified Syndicate Banks (“SCSBs”).

If you wish to know about processes and procedures applicable to this offer, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLMs or download it from the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), the websites of NSE and BSE at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively and the website of BRLM’s at <https://investmentbank.kotak.com>; [www.jpml.com](http://www.jpml.com); and [www.iiflcap.com](http://www.iiflcap.com).

### PRICE INFORMATION OF BRLM’S

Sr. No.	Offer Name	Name of BRLM	+/- % change in closing price, +/- % change in closing benchmark		
			30th calendar day from listing	90th calendar day from listing	180th calendar day from listing
1.	Vedant Fashions Limited	Kotak, IIFL	+3.99%, [-0.20%]	Not applicable	Not applicable
2.	Adani Wilmar Limited	Kotak, JP Morgan	+48.00%, [-5.34%]	Not applicable	Not applicable
3.	C.E. Info Systems Limited	Kotak	+70.21%, [+6.71%]	+48.48%, [-67.85%]	Not applicable
4.	Rategain Travel Technologies Limited	Kotak, IIFL	+11.99%, [+7.48%]	-31.08%, [-0.06%]	Not applicable
5.	Star Health And Allied Insurance Company Limited	Kotak, IIFL	-14.78%, [+1.72%]	- 29.79%, [-6.66%]	Not applicable
6.	PB Fintech Limited	Kotak, IIFL	+14.86%, [-4.33%]	- 20.52%, [-4.06%]	Not applicable
7.	FSN E-commerce Ventures Limited	Kotak	+92.31%, [-2.78%]	+68.46%, [-4.46%]	Not applicable
8.	One 97 Communications Limited	JP Morgan	-38.5%, [-4.4%]	-60.4%, [-2.3%]	Not applicable
9.	Nuvoco Vistas Corporation Limited	JP Morgan	-5.8%, [+6.5%]	-9.7%, [+7.7%]	-32.8%, [+4.7%]
10.	Sona BLW Precision Forgings Limited	JP Morgan	+45.2%, [+0.4]	+93.4%, [+11.2%]	+140.3%, [+5.2%]
11.	Macrotech Developers Limited	JP Morgan	+30.2%, [+5.2%]	+75.6%, [+10.9%]	+146.9% [+27.7%]
12.	Data Patterns (India) Limited	IIFL	+29.70%, [+3.61%]	+13.56%, [+1.42%]	Not applicable
13.	Anand Rathi Wealth Limited	IIFL	+12.38%, [+5.22%]	+4.46%, [-4.42%]	Not applicable
14.	Sapphire Foods India Limited	IIFL	+3.69%, [-4.39%]	+20.78%, [-2.32%]	Not applicable
15.	S.J.S Enterprises Ltd.	IIFL	-24.99%, [-4.33%]	-29.33%, [-4.06%]	Not applicable

Source: [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)

Notes: 1. Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each BRLM with common issues disclosed once. 2. Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange. 3. For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective issuer at the time of the issue, as applicable. 4. Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each Lead Manager with common issues disclosed once. 5. If 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days and in the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered. 6. Not applicable – where the relevant period has not been completed.

For further details, please refer to price information of past issues handled by the BRLMs on page 496 of the RHP.

### BOOK RUNNING LEAD MANAGERS

<b>Kotak Mahindra Capital Company Limited</b> Tel.: +91 (22) 4336 0000 E-mail: <a href="mailto:rainbow.ipo@kotak.com">rainbow.ipo@kotak.com</a> Investor grievance e-mail: <a href="mailto:kmccredressal@kotak.com">kmccredressal@kotak.com</a>	<b>J.P. Morgan India Private Limited</b> Tel. No.: +91 (22) 6157 3000 Email: <a href="mailto:RAINBOW_IPO@jpmorgan.com">RAINBOW_IPO@jpmorgan.com</a> Investor grievance email: <a href="mailto:investorsmb.jpml@jpmorgan.com">investorsmb.jpml@jpmorgan.com</a>	<b>IIFL Securities Limited</b> Tel. No.: +91 (22) 4646 4728 Email: <a href="mailto:rainbow.ipo@iiflcap.com">rainbow.ipo@iiflcap.com</a> Investor grievance email: <a href="mailto:ig.ib@iiflcap.com">ig.ib@iiflcap.com</a>
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Name of Syndicate Member	Kotak Securities Limited
Name of Registrar to the Offer	<b>KFin Technologies Limited (formerly known as KFin Technologies Private Limited)</b> Telephone: +91 40 6716 2222 E-mail: <a href="mailto:rcml.ipo@kfintech.com">rcml.ipo@kfintech.com</a> Investor grievance e-mail: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>
Name of Statutory Auditor	B S R & Associates LLP, Chartered Accountants
Name of Credit Rating Agency and the rating or grading obtained, if any	Not Applicable

**IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS**

<b>Name of Debenture Trustee</b>	As this is an offer of Equity Shares, no debenture trustee has been appointed for the Offer.
<b>Self Certified Syndicate Banks</b>	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> , or such other website as may be prescribed by SEBI from time to time.
<b>Eligible SCSBs and mobile applications enabled for UPI Mechanism</b>	In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, RIBs Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI mechanism is appearing in the “list of mobile applications for using UPI in public issues” displayed on the SEBI website. Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> .
<b>Non Syndicate Registered Brokers</b>	Bidders can submit ASBA Forms in the Issue using the stock broker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at is provided on the websites of the BSE and the NSE at <a href="http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?">http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?</a> and <a href="https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm">https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm</a> . as updated from time to time. For further details, see section titled “Offer Procedure” beginning at page 523 of the RHP.
<b>Details regarding website address(es)/ link(s) from which the investor can obtain a list of RTAs, CDPs and stock brokers who can accept applications from investors, as applicable:</b>	The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, is provided on the websites of Stock Exchanges at <a href="http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?">http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?</a> and <a href="http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm">http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm</a> , respectively, as updated from time to time. The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, is provided on the websites of BSE at <a href="http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?">http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?</a> and on the website of NSE at <a href="http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm">http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm</a> , as updated from time to time. For further details, see “Offer Procedure” on page 523 of the RHP.

**PROMOTERS OF OUR COMPANY**

Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification
1.	<b>Dr. Ramesh Kancharla</b>	Individual	Dr. Ramesh Kancharla is the Chairman and Managing Director of our Company. He holds a Bachelor of Medicine and Bachelor of Surgery (“MBBS”) from Sri Venkateswara University and a Doctor in Medicine (“MD”) in paediatrics from Mangalore University. He is a member of the Royal Colleges of Physicians of the United Kingdom. He has over 23 years of experience with our Company. Prior to setting up our Company, he was associated with King’s College Hospital, where he completed his specialist training in paediatric gastroenterology, hepatology and nutrition.
2.	<b>Dr. Dinesh Kumar Chirla</b>	Individual	Dr. Dinesh Kumar Chirla is the Whole-time Director of our Company. He holds a MBBS degree from Marathwada University, Doctor of Medicine in paediatrics from Dr. Babasaheb Ambedkar Marathwada University, Doctor of Medicine in Neonatology from the University of Mumbai. He is a member of the Royal College of Paediatrics and Child Health, London. He has over 18 years of experience in the healthcare industry.
3.	<b>Dr. Adarsh Kancharla</b>	Individual	Dr. Adarsh Kancharla, aged 25 years, is the Promoter of our Company. He holds a Bachelor of Medicine and Bachelor of Surgery (“MBBS”) from Sri Ramachandra Institute of Higher Education and Research and is currently pursuing his Doctor in Medicine (“MD”) in paediatrics. Other than the entities forming part of the Promoter Group, Dr. Adarsh Kancharla is not involved in any other ventures.

**OUR BUSINESS OVERVIEW AND STRATEGY**

**Company Overview:** We are a leading multi-specialty paediatric and obstetrics and gynecology hospital chain in India, operating 14 hospitals and 3 clinics in six cities, with a total bed capacity of 1,500 beds, as of December 31, 2021. Our core specialties are paediatrics, which includes newborn and pediatric intensive care, pediatric multi-specialty services, pediatric quaternary care (including multi organ transplants); and obstetrics and gynecology, which includes normal and complex obstetric care, multi-disciplinary fetal care, perinatal genetic and fertility care.

**Product:** Multi-specialty paediatric and obstetrics and gynecology hospital chain.

**Geographies Served:** India

**Key Performance Indicators:** The table below sets forth our KPIs for the periods indicated:

KPIs <sup>(1)</sup>	Nine Months Ended December 31,		Financial Year Ended March 31,		
	2021	2021	2020	2019	
Bed capacity <sup>(2)</sup>	1,500	1,475	1,296	1,162	
Operational beds	1,150	1,132	1,001	931	
Occupancy rate (%)	46.18%	34.23%	56.27%	54.13%	
Inpatient volume	51,075	51,165	66,871	53,422	
Outpatient volume	615,438	624,111	941,049	787,345	
Number of full-time doctors	641	593	596	498	
Number of nurses	1,586	1,169	1,485	1,401	
ARPOB (₹)	12,636,661	14,925,896	10,715,405	9,744,124	
ARPOB/Day (₹ per day)	45,951	40,893	29,277	26,696	
ALOS (days)	2.85	2.57	3.05	3.20	

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Basic EPS (₹)	13.39	4.36	5.98	4.83
RoE	21.29%	8.82%	13.52%	11.98%
RoCE	22.06 %	10.48%	16.32%	11.68%

Notes:

(1) Excludes the Madhukar Rainbow Children's Hospital & Birthright by Rainbow Hospital in New Delhi, a hospital operated by the Madhukar Trust for which we provide medical services to inpatients, see "Our Hospitals – Hospitals in New Delhi, Delhi – Madhukar Rainbow Children's Hospital & Birthright by Rainbow Hospital, Delhi" on page 257. (2) Bed capacity includes census and non-census beds.

For further details regarding the above KPIs, please see "Our Business - KPIs" on page 241 of the RHP.

**Industries Served:** Healthcare sector. For further details, see "Industry Overview" beginning on page 183 of the RHP.

**Intellectual Property, if any:** We have registered trademarks for our corporate logo "Rainbow Children's Hospital", "Rosewalk", "Rainbow Hospital for Women and Children", "Birthright by Rainbow", "Cradle & Kangaroo", "Kangaroo Cradles", "Cradles & Cots", "Birthtimes" and "Rainbow Children's Hospital It takes a lot treat the little". Our word marks "Rainbow", "Rainbow Hospitals" and "Rainbow Cradle" are registered with the Registrar of Trademarks. We have also applied for the registration of "Birthright by Rainbow Hospital".

**Market Share:** As per CRISIL Research, among the key players in the maternity and pediatric healthcare delivery sector, we had the highest number of hospital beds, as of March 31, 2021. Further, amongst these players, we also had the highest operating income for financial year 2020 (the latest period for which CRISIL Research was able to obtain data for all comparable players). For further details, please see "Industry Overview – Competition Analysis in Maternity and Antenatal Care in India" on page 227 of the RHP.

**Manufacturing plant, if any:** Not Applicable.

**Employee Strength:** As of December 31, 2021, we had 3,853 employees. For further details, please see "Our Business – Employees and Doctor" on page 273 of the RHP.

**BOARD OF DIRECTORS**

Sr. No.	Name	Designation	Experience and Educational Qualification	Other directorship
1.	<b>Dr. Ramesh Kancharla</b>	Chairman and Managing Director	He holds a Bachelor of Medicine and Bachelor of Surgery ("MBBS") from Sri Venkateswara University and a Doctor in Medicine ("MD") in paediatrics from Mangalore University. He is a member of the Royal Colleges of Physicians of the United Kingdom. He has over 23 years of experience with our Company.	<b>Indian Companies:</b> Private Companies: 1. Nexgen Futurus Private Limited (formerly known as Nexgen Diagnosys India Private Limited); 2. Orange Corporation Private Limited; 3. Rainbow Advanced Health Sciences Private Limited; 4. Rainbow Children's Hospital Private Limited; 5. Rainbow Fertility Private Limited; 6. Rainbow Speciality Hospitals Private Limited; and 7. Rainbow Women & Children's Hospital Private Limited.
2.	<b>Dr. Dinesh Kumar Chirla</b>	Whole-Time Director	He holds a MBBS degree from Marathwada University, Doctor of Medicine in paediatrics from Dr. Babasaheb Ambedkar Marathwada University, Doctor of Medicine in Neonatology from the University of Mumbai. He has over 18 years of experience in the healthcare industry.	<b>Indian Companies:</b> Private Companies: 1. Rainbow Advanced Health Sciences Private Limited; 2. Rainbow Children's Hospital Private Limited 3. Rainbow Fertility Private Limited; 4. Rainbow Speciality Hospitals Private Limited; 5. Rainbow Women & Children's Hospital Private Limited; and 6. Rosewalk Healthcare Private Limited.
3.	<b>Aluri Srinivasa Rao</b>	Independent Director	He holds a Bachelor of Pharmacy (Honours) from the Birla Institute of Technology & Science, Pilani, and a Master of Business Administration ("MBA") from Osmania University, Hyderabad. He has completed Global Executive Leadership Program from Yale School of Management and has completed Master of Science in Management from University of London, London Business School. He has over 22 years of experience.	<b>Indian Companies:</b> Private Companies: 1. Gallusgen Private Limited; 2. Janaadhar (India) Private Limited; 3. Jiva Sciences Private Limited; 4. Medisys Edutech Private Limited; 5. Qunu Labs Private Limited; and 6. Tropical Animal Genetics Private Limited.
4.	<b>Dr. Anil Dhawan</b>	Independent Director	He has passed his MBBS exam from the Himachal Pradesh University and has been awarded with the Shri Devi Chand Memorial Gold Medal and the Dr. Kranti Mohan Sharma Memorial Prize for securing first position in MBBS. He has over 25 years of experience in the Healthcare Industry.	<b>Foreign Companies:</b> 1. Hephrevive Ltd; 2. King's Commercial Services; 3. PHA associates Ltd; and 4. Specialist Medicconnect.
5.	<b>Sundari Raviprasad Pisupati</b>	Independent Director	She holds a Bachelor of Laws degree from the The National Law School of India University, Bangalore, where she was the university topper and gold medallist. She also holds a Masters in Law degree from Columbia University School of Law, New York. She is a licensed lawyer in New York and India. She has over 27 years of experience as a lawyer in India and is qualified to practice in the USA.	<b>Indian Companies:</b> Public Companies: 1. Eugia Pharma Specialities Limited; and 2. Ocean Sparkle Limited.
6.	<b>Santanu Mukherjee</b>	Independent Director	He holds a Bachelor of Science (Honours) degree from the University of Calcutta. He is a certified associate of the Indian Institute of Bankers. He has over 37 years of experience in the banking sector. He was the Managing Director of State Bank of Hyderabad, headed the French operations of State Bank of India in Paris.	<b>Indian Companies:</b> Private Companies: 1. Aeries Financial Technologies Private Limited; 2. Fairmoney Financial Services Private Limited; and 3. Fairmoney Technology Private Limited. Public Companies: 1. Bandhan Bank Limited; 2. Muthoot Housing Finance Company Limited; 3. Sumedha Fiscal Services Limited; and 4. Suvem Life Sciences Limited.

For further details in relation to our Board of Directors, see "Our Management" beginning on page 309 of the RHP.

**OBJECTS OF THE OFFER**

The fund requirements for each of the objects of the Issue are stated as follows:

(In ₹ million)

Particulars	Amount to be funded from Net Proceeds	Estimated deployment of Net Proceeds		
		Financial Year 2023	Financial Year 2024	Financial Year 2025
Early redemption of NCDs issued by our Company to CDC Emerging Markets Limited (“CDCEML”), one of our Group Companies, in full	400.00	400.00	-	-
Capital expenditure towards setting up of new hospitals and purchase of medical equipment for such new hospitals	1,700.00	1,065.00	435.00	200.00
General corporate purposes*	●	●	●	●
Total*	●	●	●	●

\*To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised towards general corporate purposes shall not exceed 25% of the Net Proceeds.

In addition, we expect to achieve the benefits of listing of the Equity Shares on the Stock Exchanges which, we believe, will result in the enhancement of our brand name and creation of a public market for our Equity Shares in India. Each of the Selling Shareholders will be entitled to its proceeds of the Offer for Sale, after deducting its portion of the Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale, and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

**Means of Finance:** The funding requirements for the Objects are proposed to be entirely funded from the Net Proceeds and internal accruals

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilisation of issue proceeds of past public offers / rights issues, if any, of the Company in the preceding 10 years:** Not Applicable

**Terms of Issuance of Convertible Security, if any:** Not Applicable

**Name of Monitoring Agency:** HDFC Bank Limited.

**Shareholding Pattern as on the date of the RHP:**

Category of shareholder	Number of fully paid up equity shares held	Shareholding as a % of total number of shares
Promoters and Promoter Group	59,912,384	62.19
Public	36,421,624	37.81
<b>Total</b>	<b>96,334,008</b>	<b>100.00</b>

The name of the Selling Shareholders and their proportion in the Offer for Sale is as follows:

S. No.	Name of Selling Shareholder	No. of Equity shares offered in the Offer for Sale	Proportion In OFS Size (%)
1.	Dr. Ramesh Kancharla	Up to 5,354,630 Equity Shares	22.31%
2.	Dr. Dinesh Kumar Chirla	Up to 1,926,690 Equity Shares	8.03%
3.	Dr. Adarsh Kancharla	Up to 1,445,020 Equity Shares	6.02%
4.	British International Investment plc (formerly known as CDC Group plc)	Up to 9,632,876 Equity Shares	40.14%
5.	CDC India	Up to 5,033,236 Equity Shares	20.97%
6.	Padma Kancharla	Up to 608,448 Equity Shares	2.53%
	<b>Total</b>	<b>Up to 24,000,900 Equity Shares</b>	<b>100%</b>

**RESTATED FINANCIAL STATEMENTS**

The following information has been derived from our Restated Consolidated Financial Information for the last three Fiscals and the nine months ended December 31, 2020 and December 31, 2021 (₹ in million, except per share data)

Particulars	As at and for the nine months ended		As at and for the Fiscal ended		
	December 31, 2021	December 31, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Total Income	7,740.62	4,942.93	6,603.10	7,297.37	5,511.44
Net Profit/(Loss) before tax	1,715.87	542.01	556.96	933.56	575.26
Net Profit / (Loss) after tax	1,264.13	385.25	395.68	553.40	445.90
Equity Share Capital	1,049.98	549.03	549.03	549.03	549.03
Other Equity	4,852.97	3,896.21	3,914.60	3,505.00	3,172.48
Net worth <sup>(1)</sup>	5,894.00	4,436.29	4,454.68	4,045.08	3,712.56
Earnings per share of face value of ₹ 10/- each attributable to equity holders of the parent <sup>(2)</sup>					
- Basic, computed on the basis of profit attributable to equity holders (₹)	13.39*	4.22*	4.36	5.98	4.83
- Diluted, computed on the basis of profit attributable to equity holders (₹)	13.12*	4.12*	4.25	5.92	4.74
Return on net worth (%)	21.45	8.68	8.88	13.68	12.01
Net asset value per share (Rs.)	61.63	48.80	48.82	44.57	40.52

\* Not annualised

Notes: 1. “Net worth” has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. 2. Pursuant to a board resolution dated November 27, 2021 and shareholders resolution dated November 30, 2021, bonus equity shares have been issued in the ratio of 1:1 for every one equity share and every one preference share held. For calculation of EPS and Net asset value per equity share, bonus equity shares have been retrospectively adjusted as if the event had occurred at the beginning of the earliest period presented. Pursuant to board resolutions dated October 14, 2021 and October 22, 2021, 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 and for Net asset value per equity share, 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. The equity shares allotted through a rights issue (excluding the bonus element thereon) and the bonus shares issued in the ratio of 1:1 for such rights issue have not been considered for the purpose of computation of EPS and Net asset value. 3. Net asset value per equity share: Net asset value at the end of the respective periods/years divided by number equity shares outstanding at the end of respective periods/years. Net asset value means total assets minus total liabilities.

For further details see “Offer Document Summary- Select Financial Information” and “Financial Statements” on page 23 and 351 of the RHP respectively.

**INTERNAL RISK FACTORS**

Below mentioned risks are the top 5 risk factors as per the RHP:

1. Our market capitalization to revenue multiple and price to earnings ratio based on the Offer Price may not be indicative of our market price on listing or thereafter.
2. We are dependent on our medical professionals and our business and financial results could be impacted if we are not able to attract and retain such medical professionals.
3. We engage doctors primarily on a consultancy service contract basis and there is no assurance that our doctors will not prematurely terminate their agreements.

**IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS**

- Our revenues are highly dependent on our hospitals in Hyderabad and Bengaluru. We are also significantly dependent on certain specialties for a majority of our revenues. Any impact on the revenues from these hospitals or specialties could materially affect our business, financial condition, results of operations and cash flows.
- A portion of the Net Proceeds of the Offer, which is proposed to be utilized towards early redemption of Non-Convertible Debentures (NCDs) in full, will be paid to the NCD-holder, CDC Emerging Markets Limited, one of our Group Companies.

**SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**

- A. A summary of outstanding litigation proceedings as on the date of the Red Herring Prospectus as disclosed in the section titled “Outstanding Litigation and Other Material Developments” of the RHP is provided below:

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved (Rs. in Millions.)	
<b>Company</b>							
By the Company	1	Nil	Nil	NA	3	31.43	
Against the Company	3	13 <sup>*</sup>	Nil		8	253.87	
<b>Directors</b>							
By our Directors	Nil	Nil	Nil		Nil	N.A.	
Against the Directors	1 <sup>**</sup>	Nil	Nil		1 <sup>**</sup>	10	
<b>Promoters</b>							
By Promoters	Nil	Nil	Nil	Nil	Nil	N.A.	
Against Promoters	1	Nil	Nil	Nil	1	10	
<b>Subsidiaries</b>							
By Subsidiaries	Nil	Nil	Nil	NA	Nil	N.A.	
Against Subsidiaries	Nil	Nil	Nil		Nil	N.A.	

*\*To the extent quantifiable. ^ There are seven material tax proceedings above the materiality threshold of ₹ 3.96 million. \*\*Includes litigation involving Dr. Ramesh Kancharla and Dr. Dinesh Kumar Chirla, who are also Promoters of the Company.*

- B. Brief details of top 5 material outstanding litigation / legal proceedings initiated against the Company and amount involved:

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved (in ₹ million)
1.	The Drug Inspector, Ameerpet Zone, Hyderabad filed a complaint (“ <b>Complaint</b> ”) before the III Additional Chief Metropolitan Magistrate, Nampally, Hyderabad, against our Company, Dr. Ramesh Kancharla, Chairperson and Managing Director of the Company, and certain other employees of our Company, alleging offences under the Drugs and Cosmetics Act, 1940, alleging that our Company, amongst other things, stocked certain potent and habit-forming drugs without purchase and sale bills. Our Company has denied all allegations and has filed a petition before the High Court of Hyderabad, seeking to quash the proceedings under the Complaint (“ <b>Petition</b> ”). The High Court of Hyderabad dismissed the Petition on January 17, 2022.	The Drug Inspector, Ameerpet Zone, Hyderabad	The Complaint is currently pending	-
2.	Janardan Prasad Shukla (“ <b>Complainant</b> ”) filed a complaint dated November 24, 2018 and October 7, 2017 (“ <b>Complaint</b> ”) before the Karnataka Medical Council against our Company, Apollo Hospitals and two of our Doctors, namely, Dr. Ambika V and Dr. Mahesh, alleging professional misconduct and non-performance of professional responsibility by Dr. Ambika V and our hospital. The Complainant has prayed that the respondents be summoned and penalized as per the law. Dr. Ambika V has filed her response dated November 16, 2017 denying all allegations made in the Complaint.	Janardan Prasad Shukla	The matter is currently pending	-
3.	Asha Zabeen (“ <b>Complainant</b> ”) filed a complaint dated February 8, 2019 before the Karnataka Medical Council (“ <b>KMC</b> ”) against our Hospital in Marathalli, Bangalore, Karnataka alleging medical negligence on part of the doctors while providing treatment to the Complainant’s child which led to the demise of the child. The Complainant has also raised complaints of absence of senior doctor during critical situation and duplicity in bills. The Company has filed a reply to the notice before the KMC denying the allegations.	Asha Zabeen	The matter is currently pending	-
4.	Tharun Karthik Sreeram, Sreeram Vijaya Madhuri (“ <b>C2</b> ”) and Master Suryaansh (Collectively, “ <b>Complainants</b> ”) filed a consumer complaint against our hospital at Kondapur and one of our doctors before the NCDRC, alleging negligence and deficiency in services in providing diagnosis to C2 (“ <b>Complaint</b> ”). Our Company has replied to the Complaint before the NCDRC and prayed for dismissal of the same.	Tharun Karthik Sreeram, Sreeram Vijaya Madhuri and Master Suryaansh	The matter is currently pending	₹ 32,600,000/- together with 24% interest per annum
5.	M. Prajwala, (“ <b>Complainant</b> ”) filed a consumer complaint against our hospital at Hospital at Banjara Hills, Hyderabad, Telangana Dr. Dinesh Kumar Chirla and two of our other Doctors before the Telangana State Consumer Disputes Redressal Commission alleging negligence in providing treatment to the Complainant (“ <b>Complaint</b> ”). Our Company has replied to the Complaint before the Telangana Consumer State Redressal Commission and prayed for dismissal of the same.	M. Prajwala	The matter is currently pending	₹ 10,000,000/-

- C. Disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any: Nil

- D. Brief details of outstanding criminal proceedings against the Promoters:

1. The Drug Inspector, Ameerpet Zone, Hyderabad filed a complaint before the III Additional Chief Metropolitan Magistrate, Nampally, Hyderabad, against our Company, Dr. Ramesh Kancharla, Chairperson and Managing Director of the Company, and certain other employees of our Company, alleging offences under the Drugs and Cosmetics Act, 1940.

**ANY OTHER IMPORTANT INFORMATION AS PER MANAGERS/COMPANY - NIL**

**DECLARATION BY THE COMPANY**

We hereby certify and declare that all relevant provisions of the Companies Act and the rules framed and guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements made in the Red Herring Prospectus are true and correct.

**DECLARATION BY THE SELLING SHAREHOLDERS**

The Selling Shareholders hereby certify that all statements, disclosures and undertakings made or confirmed by them in the Red Herring Prospectus in relation to themselves and the Equity Shares being offered by them in the Offer for Sale are true and correct. The Selling Shareholders assume no responsibility as Selling Shareholders, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in the Red Herring Prospectus

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