



RAINBOW CHILDREN'S MEDICARE LIMITED



Adjust 7, 1996, Issued by tine Register of Company and Company and

orporate Office: 8-2-19/1/A, Daulet Arcade, Road No. 11, Banjara Hills, Hyderabad – 500 034, Telangana, Telephone: +91 40 49692244; Contact Person: Ashish Kapit, Company Secretary and Compliance Office

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

INITIAL PUBLIC OFFERING OF UP TO $[\bullet]$ EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF RAINBOW CHILDREN'S MEDICARE LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ $[\bullet]$ PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ $[\bullet]$ PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ $[\bullet]$ MILLION (THE "OFFER"), COMPRISING A FRESH ISSUE OF UP TO $[\bullet]$ EQUITY SHARES AGGREGATING UP TO ₹2,800.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 24,000,900 EQUITY SHARES AGGREGATING UP TO ₹0,000,900 EQUITY SHARES AGGREGATING UP TO ₹0 IN ANNEXURE A TO THE RHP (THE "OFFER FOR SALE") ON PAGE NUMBER 641 OF THE RHP. THE OFFER INCLUDES A RESERVATION OF UP TO 300,000 EQUITY SHARES AGGREGATING UP TO ₹ $[\bullet]$ MILLION (CONSTITUTING UP TO $[\bullet]$ % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL) FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WOULD CONSTITUTE $[\bullet]$ % AND $[\bullet]$ %, RESPECTIVELY, OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

QIB Portion: Not more than 50% of the Net Offer Non-Institutional Portion: Not less than 15% of the Net Offer Retail Portion: Not less than 35% of the Net Offer

(Retail Individual Bidders are those who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in the Offer) Employee Reservation Portion: Up to 300,000 Equity Shares aggregating up to ₹ [•] million

PRICE BAND: ₹516 TO ₹542 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH.

THE FLOOR PRICE IS 51.60 TIMES THE FACE VALUE OF THE EQUITY SHARES AND

THE CAP PRICE IS 54.20 TIMES THE FACE VALUE OF THE EQUITY SHARES.

BIDS CAN BE MADE FOR A MINIMUM OF 27 EQUITY SHARES AND IN MULTIPLES OF 27 EQUITY SHARES THEREAFTER.

A DISCOUNT OF ₹ 20 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE EMPLOYEES

BIDDING IN THE EMPLOYEE RESERVATION PORTION.

Risks to Investors

• The Offer Price at upper end of the price band is ₹ 542 per Equity Share. However, the average cost of acquisition per Equity Shares for the Selling Shareholders is as follows:

Name of the Selling shareholder	Avg. cost of acquisition per Equity Share as on the date of the RHP (in ₹)	Name of the Selling shareholder	Avg. cost of acquisition per Equity Share as on the date of the RHP (in ₹)
Dr. Ramesh Kancharla (Promoter Selling Shareholder)	7.32	Mrs. Padma Kancharla (Other Selling Shareholder)	Nil
Dr. Dinesh Kumar Chirla (Promoter Selling Shareholder)	0.91	British International Investment plc (formerly known as CDC Group plc) (Investor Selling Shareholder)	54.50
Dr. Adarsh Kancharla (Promoter Selling Shareholder)	Nil	CDC India (Investor Selling Shareholder)	110.29

Our revenues are highly dependent on our hospitals in Hyderabad and Bengaluru. Of our 14 hospitals, six are situated in Hyderabad,
Telangana and three are situated in Bengaluru, Karnataka. Any impact on the revenues from these hospitals could materially affect our
business, financial condition and results of operations. The proportion of volumes at hospitals in Hyderabad and Bengaluru, of our aggregate
inpatient and outpatient volumes across all our hospitals are as follows:

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	For the nine months period ended December 31, 2021
Proportion of volumes at hospitals in Hyderabad and Bengaluru to aggregate inpatient and outpatient volumes across all our hospitals		81.89%	78.98%	77.28%

• 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. The attrition rate for our permanent employees, which includes nurses (including interns and paramedical personnel) are as follows:

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	For the nine months period ended December 31, 2021
Attrition rate for our permanent employees, which includes nurses (including interns and paramedical personnel)	35.41%	38.75%	45.50%	26.74%

• The Offer Price, market capitalization to revenue multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of our Company on listing or thereafter. The details of our price to earnings ratio and market capitalization to revenue from operations based on the upper end of the price band i.e. ₹ 542 per Equity Share are given below:

Particulars	Price to earnings ratio (based on diluted EPS)	Market capitalization to revenue
For the year ended March 31, 2021	127.53	7.91

For details of market capitalization to revenue multiple for our listed peers that have a similar business profile to us, please see "Basis For Offer Price" section.

 Weighted average cost of acquisition of all shares transacted in last three years and one year preceding the date of the Red Herring Prospectus ("RHP")

Period	Weighted Average Cost of Acquisition^ (in ₹)	Cap Price (₹ 542) is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price - Highest Price^ (in ₹)
Last 1 year	7.80	69.49	0-70
Last 3 years	7.80	69.49	0-70

[^]As certified by Madhu Mantri and Associates, Chartered Accountants, in their certificate dated April 19, 2022

• We are significantly dependent on certain specialties for a majority of our revenues. We have four core specialties, namely secondary pediatric care, tertiary pediatric care, quaternary pediatric care and women care (gynecology, obstetrics and related services), of which our secondary pediatric care services have historically accounted for the largest portion of our revenues. See "Our Business – Key Specialties – Pediatric services (including secondary, tertiary and quaternary care)" on page 259 of the RHP.

The Offer Price will be 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 BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is 51.60 times the Floor Price and 54.20 times the Cap Price of the Price Band, Bidders should also see "Our Business" "Risk Factors" "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Financial Statements" on pages 239, 47, 438 and 351 of the RHP, respectively, to have an informed view before making an investment decision.

Qualitative Factors: Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are as follows: • Our ability to conceptualize, create and operate specialized children's hospitals; • Leading pediatric multi-specialty healthcare chain with strong clinical expertise in managing complex diseases; • Comprehensive perinatal care provider, with synergies between pediatric and obstetrics and gynecology services: • Hub-and-spoke model that provides synergies and ensures better care and access for patients; • Proven ability to attract, train and retain high-caliber medical professionals; • Strong track record of growth, operational and financial performance; and • Experienced senior management team with strong institutional shareholder support. For details, see *"Our Business – Our Competitive* Strengths" on page 242 of the RHP

Quantitative Factors: Some of the information presented below relating to our Company is derived from the Other Financial Information. For details, see "Other Financial Information" on page 432 of the RHP. Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

A. Basic and Diluted Earnings Per Share ("EPS") at face value of ₹ 10, as adjusted for change in capital:

Financial year/period ended	Basic EPS (in ₹) ⁽¹⁾⁽²⁾	Diluted EPS (in ₹) ⁽¹⁾⁽²⁾	Weight
March 31, 2021	4.36	4.25	3
March 31, 2020	5.98	5.92	2
March 31, 2019	4.83	4.74	1
Weighted average ^s	4.98	4.89	
Nine months period ended December 31, 2021*	13.39	13.12	

Basic EPS and Diluted EPS for the nine months period ended December 31, 2021 are not annualized.

- (1) 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, bonus equity shares have been retrospectively adjusted as if the event had occurred at the beginning of the earliest period presented.
- (2) 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.
- Basic and diluted earnings per Equity Share are computed in accordance with Ind AS 33 'Earnings per Share prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with the requirement of SEBI ICDR Regulations
- (ii) Basic EPS = Profit for the period/year attributable to the Owners of the Company divided by weighted average number of ordinary shares outstanding during the period/year – basic

 (iii) Diluted EPS = Profit for the period/year attributable to the Owners of the Company divided by weighted average number
- of ordinary shares outstanding during the period/year diluted
- (iv) Weighted average number of ordinary Shares is the number of shares outstanding at the beginning of the year adjusted by the number of shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
- Weighted Average basic and diluted EPS is a product of basic and diluted EPS and respective assigned weight, dividing the resultant by total aggregate weight. Weights applied have been determined by the management of the Company Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.

B. Price/Earning ("P/E") ratio in relation to the Price Band of ₹ 516 to ₹ 542 per Equity Share

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
Based on basic EPS for year ended March 31, 2021	118.35	124.31
Based on diluted EPS for year ended March 31, 2021	121.41	127.53

*Source: The highest, lowest and average Industry P/E shown above

is based on the industry peer set provided below under "Comparison with Listed Industry Peers" on page 174 of the RHP. 428.88 Highest 241 54 Average C. Return on Net Worth ("RoNW") as adjusted for change in capital:

Industry P/E ratio

Particulars

Financial year/ period ended	RoNW (%)	Weight
March 31, 2021	8.88	3
March 31, 2020	13.68	2
March 31, 2019	12.01	1
Weighted Average	11.00	
Nine months period ended December 31, 2021*	21.45	

Notes: RONW=Restated Profit for the period/year divided by Net Worth

'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 balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. *RoNW for the Nine-months period ended December 31, 2021 is not annualized

D. Net Asset Value ("NAV") per equity share, as adjusted for change in capital:

NAV per Equity Share ⁽¹⁾	(in ₹)
As on December 31, 2021 [^]	61.63
As on March 31, 2021	48.82
At Floor Price	85.85
At Cap Price	86.07
At Offer Price	[•]

Net Asset Value per equity share (₹): Net asset value at the end of the respective periods divided by number equity shares outstanding at the end of respective periods. Net asset value means total assets minus total liabilities. (1) 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.

^Pursuant to board resolution dated April 04, 2022, the Company has approved conversion of (I) 11,46,771 0.0001% Series A Compulsorily Convertible Preference Shares of face value of ₹48/- each into 11,46,771 Equity Shares of ₹10/each and (ii) 11,33,309 0.0001% Series B Compulsorily Convertible Preference Shares of face value of ₹ 48/- each into 11,33,309 Equity Shares of ₹ 10/- each, at a conversion ratio of 1:1 as per the terms of the Investment Agreement and as amended thereafter, ranking pari passu with the existing Equity Shares. For the purpose of calculation of Net asset value per equity share as on December 31, 2021, the equity shares have been calculated after considering the impact of

E. Comparison with Listed Industry Peers

Following is the comparison with our peer group companies listed in India and in the same line of business as ou

Name of Company	0	Total Income for	Face Value	P/E ⁽³⁾		or Fiscal 21 (₹)	Return on Net	Net Asset
	Consolidated / Standalone	Fiscal 2021 (₹ in million)	per Equity Share (₹)		Basic	Diluted ⁽¹⁾	Worth ('RoNW') for Fiscal 2021 (%) ⁽⁴⁾	
Company*		6,603.10	10	NA	4.36	4.25	8.88%	48.82
	Peer Group							
Apollo Hospitals Enterprise Limited	Consolidated	106,050.00	5	428.88	10.74	10.74	3.30%	320.10
Fortis Healthcare Limited	Consolidated	40,766.80	10	NA	(1.45)	(1.45)	(0.75%)	81.06
Narayana Hrudalaya Limited	Consolidated	26,105.22	10	NA	(0.70)	(0.70)	(1.46%)	54.82
Max Healthcare Institute Limited	Consolidated	26,194.10	10	NA	(1.59)	(1.59)	(2.47%)	58.37
Krishna Institute of Medical Sciences Limited	Consolidated	13,401.02	10	54.19	26.87	26.42	23.74%	111.32

*Based on Restated Consolidated Financial Information.

Financial Information of the Peer group companies has been sourced from the financial statements for the year ended March 31, 2021 as disclosed on the website of the Stock Exchanges

Notes: 1) Diluted EPS refers to the Diluted EPS sourced from the financial statements of the respective peer group companies for the year ended March 31, 2021. (2) NAV is computed as the closing net worth divided by the closing outstanding number of equity shares as on March 31, 2021. (3) P/E Ratio has been computed based on the closing market price of equity shares on NSE on April 8, 2022, divided by the Diluted EPS provided under Note 1 above (4) RoNW is computed as net profit after tax (including profit attributable to non-controlling interest) divided by net worth. Closing net worth has been computed as sum of paid-up share capital and other equity as on March 31, 202 Our market capitalization to revenue from operations (for the financial year 2021) multiple is 7.91 times at the upper

The following table sets forth the market capitalization to revenue (for the financial year 2021) multiple for our listed peers that have a similar business profile to us and are in the same line of business, according to CRISIL:

Market capitalization to revenue multiple	M-Cap (March 31, 2022) (₹ in millions)	Operating income (FY21) (₹ in millions)	M-Cap (March 31, 2022) / Operating Income (FY21)				
Max Healthcare Institute Ltd	337,086.1	38,610	8.7				
Krishna Institute Of Medical Sciences Ltd	110,694.4	13,328	8.3				
Apollo Hospitals Enterprise Ltd	649,345.9	105,607	6.1				
Narayana Hrudayalaya Ltd	152,320.3	25,910	5.9				
Fortis Healthcare Ltd	219,239.8	39,796	5.5				

The Offer Price is [•] times the face value of the Equity Shares

The Offer Price of ₹ [●] has been 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 BRLMs, on the basis of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Management's

Discussion and Analysis of Financial Condition and Results of Operations" and "Other Financial Information" on pages 47, 239, 438 and 432 of the RHP, respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" on page 47 and

you may lose all or part of your investment.

For further details, see "Basis For Offer Price" on page 171 of the RHP.

BID/OFFER PROGRAMME

ANCHOR INVESTOR BIDDING DATE: TUESDAY, APRIL 26, 2022*

BID/OFFER OPENS ON: WEDNESDAY, APRIL 27, 2022

BID/OFFER CLOSES ON: FRIDAY, APRIL 29, 2022*

*Our Company, Dr. Ramesh Kancharla (acting on behalf of the other Promoter Selling Shareholders and the Other Selling Shareholders shall, in consultation with the BRLMs, consider participation by Anchor Investor 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 i.e., Tuesday, April 26, 2022. UPI Mandate end time and date shall be at 12:00 pm on May 2, 2022.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, 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, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Member(s) and by intimation to the Designated Intermediaries and the Sponsor Banks, as applicable.

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations, and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs", and such portion, the "QIB Portion"), provided that 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, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from the Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders ("Non-Institutional Portion") of which onethird of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 200.000 and up to ₹ 1.000.000 and two-thirds of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion, and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders, other than Anchor Investors, are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA accounts and UPI ID (in case of Retail Individual Bidders using UPI Mechanism), if applicable, in which the corresponding Bid Amounts will be blocked by the self-certified syndicate banks ("SCSBs") or under the UPI Mechanism, as applicable, to participate in the Offer. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. See "Offer Procedure" on page 523 of the RHP.

Bidders/Applicants should ensure that DP ID, PAN, Client ID and UPI ID (for RIBs bidding through the UPI mechanism) are correctly filled in the Bid cum Application Form. The DPID, PAN and Client ID provided in the Bid cum Application Form should match with the DPID, PAN, Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/ Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for RIBs bidding through the UPI mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the

Bidders'/Applicants' sole risk. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021.

Contents of the Memorandum of Association of the Company as regards its objects: For information on the main objects of the Company, please see the section "History and Certain Corporate Matters" beginning on page 294 of the RHP. The Memorandum of Association of the Company is a material document for inspection in relation to the Offer. For further details, please see the section entitled "Material Contracts and Documents for Inspection" beginning on page 625 of the RHP.

Liability of the members of the Company: Limited by shares

Amount of share capital of the Company and Capital structure: The authorised, issued, subscribed and paid-up share capital of the Company as on the date of the RHP is as follows: The authorised share capital of the Company is ₹ 1,390,556,160 divided into 139,055,616 Equity Shares of face value of ₹ 10 each, ₹ 55,045,008 divided into 1,146,771 Series A 0.0001% Compulsorily Convertible Preference Shares ("Series A CCPS") of face value of ₹ 48 each and ₹ 54,398,832 divided into 1,133,309 Series B 0.0001% Compulsorily Convertible Preference Shares ("Series B CCPS") of face value of ₹ 48 each. The issued, subscribed and paid-up share capital of the Company is ₹ 963,340,080 divided into 96,334,008 Equity Shares of face value of ₹10 each. For details, please see the section entitled "Capital Structure" on page 112 of the RHP.

Names of signatories to the Memorandum of Association of the Company and the number of Equity Shares subscribed by them: The names of the signatories of the Memorandum of Association of our Company are Dr. Ramesh Kancharla, Dr. Prasad S.V. Vankayalapati and Mr. D. Suresh. For details of the share capital history and capital structure of our Company, please see the section entitled "Capital Structure" on page 112 of the RHP.

Listing: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters each dated January 19, 2022. For the purposes of the Offer, the Designated Stock Exchange shall be NSE. Asigned copy of each of the Red Herring Prospectus has been and of the Prospectus shall be, filed with the RoC in accordance with the Companies Act, 2013. For further details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 625 of the RHP

Disclaimer Clause of the Securities and Exchange Board of India ("SEBI"): SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities or the offer document. The investors are advised to refer to page 491 of the RHP for the full text of the disclaimer clause of SEBI.

Disclaimer Clause of BSE: It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the RHP has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to page 494 of the RHP for the full text of the disclaimer clause of BSE

Disclaimer Clause of NSE (Designated Stock Exchange): It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 494 of the RHP for the full text of the disclaimer clause of NSE.

General Risk: Investments in 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 entire 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 SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 47 of the RHP.

THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE

ASBA

Simple, Safe, Smart way of Application!!!

Applications supported by blocked amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, For further details, check section on ASBA below

Mandatory in public issues. No cheque will be accepted.



UPI-Now available in ASBA for Retail Individual Investors ("RIIs") applying through Registered Brokers, DPs and RTAs. RIIs also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021

ASBA has to be availed by all the investors except anchor investors. UPI may be availed by Retail Individual Bidders. For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Offer Procedure" on page 523 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. ASBA bid-cum-application forms can be downloaded from the websites of BSE Limited ("BSE") and National Stock Exchanges of India Limited ("NSE", and together with BSE, the "Stock Exchanges") and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmld=35 and mobile applications whose names appear on the website of SEBI, as updated from time to time. HDFC Bank Limited, Axis Bank Limited and Kotak Mahindra Bank Limited has been appointed as Sponsor Banks for the Offer, in accordance with the requirements of the SEBI Circular dated November 1, 2018 as amended. For offer related queries, please contact the BRLMs on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail Id: ipo.upi@npci.org.in.

	BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
Each Kotak * Investment Banking	J.P.Morgan	IIFL SECURITIES	▲ KFINTECH	Ashish Kapil 8-2-120/103/1, Survey No. 403, Road No. 2, Banjara Hills Hyderabad – 500 034. Telangana
Kotak Mahindra Capital Company Limited 27 BKC, 1st Floor, Plot No. C – 27, "G" Block, Bandra Kurla Complex Bandra (East), Mumbai - 400051, Maharashtra, India. Telephone: +91 (22) 4336 0000 E-mail: rainbow.ipo@kotak.com Website: https://investmentbank.kotak.com Investor Grievance ID: kmccredressal@kotak.com Contact Person: Ganesh Rane SEBI Registration Number: INM000008704	J.P. Morgan India Private Limited J.P. Morgan Towers, Off CST Road, Kalina, Santacruz East Mumbai - 400 098, Maharashtra, India Telephone: +91 (22) 6157 3000 E-mail: RAINBOW_IPO@jpmorgan.com Website: www.jpmipl.com Investor Grievance ID: investorsmb.jpmipl@jpmorgan.com Contact Person: Krishna S Gohil SEBI Registration Number: INM000002970	IIFL Securities Limited 10th Floor, IIFL Centre, Kamala City, Senapati Bapat Marg Lower Parel (West), Mumbai - 400 013, Maharashtra, India Telephone: +91 (22) 4646 4728 E-mail: rainbow.ipo@iiflcap.com Website: www.iiflcap.com Investor Grievance ID: ig.ib@iiflcap.com Contact Person: Shirish Chikalge / Dhruv Bhagwat SEBI Registration Number: INM000010940	KFin Technologies Limited (formerly known as KFin Technologies Private Limited) Selenium, Tower-B, Plot 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi - 500 032 Telangana, India. Telephone: +91 40 6716 2222 E-mail: rcml.ipo@kfintech.com Website: www.kfintech.com Investor Grievance ID: einward.ris@kfintech.com Contact Person: M Murali Krishna SEBI Registration Number: INR000000221	Telephone: + 91 40 49692244 E-mail: companysecretary@rainbowhospitals.in Investors may contact the Company Secretary and Compliant Officer or the Registrar to the Offer in case of any pre-Offer or pos Offer related grievances including non-receipt of letters of Allotmer non-credit of Allotted Equity Shares in the respective beneficia account, non-receipt of refund orders or non-receipt of funds t electronic mode, etc. For all Offer related queries and for redressal complaints, Investors may also write to the BRLMs.

AVAILABILITY OF THE RHP: Investors are advised to refer to the RHP and the "Risk Factors" on page 47 of the RHP, before applying in the Offer. Acopy of the RHP shall be available on website of SEBI at www.sebi.gov.in and is available on the websites of the BRLMs, i.e. Kotak Mahindra Capital Company Limited, J.P. Morgan India Private Limited and IIFL Securities Limited at https://investmentbank.kotak.com, www.jpmipl.com and www.iiflcap.com, respectively and on the websites of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively. AVAILABILITY OF BID CUM APPLICATION FORMS: Bid cum Application Forms can be obtained from the registered office of Rainbow Children's Medicare Limited, Telephone: +91 (22) 6157 3000 and

IIFL Securities Limited, Telephone: +91 (22) 4646 4728 and Syndicate Member: Kotak Securities Limited, Telephone: +91 (22) 6218 5470 at the select locations of the Sub-syndicate Members and the Designated Branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI.

Sub-Syndicate Members: Almondz Global Securities Ltd. Anand Rathi Share & Stock Brokers Ltd. Axis Capital Limited. Joban Stock Brokers Ltd. Axis Capital Limited. Joban Stock Brokers Ltd. Joban Stock Brokers Ltd. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Limited. Joban Stock Brokers Ltd. Axis Capital Markets & Securities Ltd. Axis Capital Market Fiscal Services Private Limited, Kantilal Chhaganlal Sec Pvt Ltd, Keynote Capitals Limited, KJMC Capital Market Services Limited, SBIcap Securities Pvt. Ltd., Prabhudas Lilladher Pvt Ltd, Pravin Ratilal Share & Stock Brokers Limited, RR Equity Brokers Private Limited, SBIcap Securities Limited, Motilal Oswal Financial Services Ltd., Prabhudas Lilladher Pvt Ltd., Pravin Ratilal Share & Stock Brokers Limited, RR Equity Brokers Private Limited, SBIcap Securities Limited, Motilal Oswal Financial Services Ltd., Prabhudas Lilladher Pvt Ltd., Pravin Ratilal Share & Stock Brokers Limited, RR Equity Brokers Private Limited, SBIcap Securities Limited, Motilal Oswal Financial Services Ltd., Prabhudas Lilladher Pvt Ltd., Pravin Ratilal Share & Stock Brokers Limited, RR Equity Brokers Private Limited, SBIcap Securities Limited, SBIcap Securities Limited, Pravin Ratilal Share & Stock Brokers Limited, RR Equity Brokers Private Limited, SBIcap Securities Limited, SBIc

Sharekhan Ltd, SMC Global Securities Ltd and YES Securities (India) Limited Escrow Collection Bank, Public Offer Bank and Refund Bank : HDEC Bank Limited

Sponsor Banks: HDFC Bank Limited, ICICI Bank Limited, Axis Bank Limited and Kotak Mahindra Bank Limited All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

For RAINBOW CHILDREN'S MEDICARE LIMITED

On behalf of the Board of Directors Company Secretary and Compliance Officer

Place: Hyderabad, Telangana Date: April 21, 2022

RAINBOW CHILDREN'S MEDICARE LIMITED is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offering of its Equity Shares and has filed the RHP with RoC on Tuesday, April 19, 2022. The RHP is available on the website of SEBI at www.sebi.gov.in, websites of BSE Limited and National Stock Exchange of India Limited at www.bseindia.com, respectively and is available on the websites of the BRLMs, i.e. Kotak Mahindra Capital Company Limited, J.P. Morgan India Private Limited and National Stock Exchange of India Limited at https://investmentbank.kotak.com, www.jpmipl.com and www.iiflcap.com, respectively. Investors should note that investment in equity shares involves a high degree of risk and for details relating to such risk, refer to the Red Herring Prospectus, including the section titled "Risk Factors" of the Red Herring Prospectus when available. Potential investors should not rely on the DRHP filed with SEBI for making any investment decision. Specific attention of the investors is invited to "Risk Factors" beginning on page 47 of the RHP.

The Equity Shares offered in the Offer have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and (b) outside of the United States in offshore transactions as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. There will be no public offering of the Equity Shares in the United States