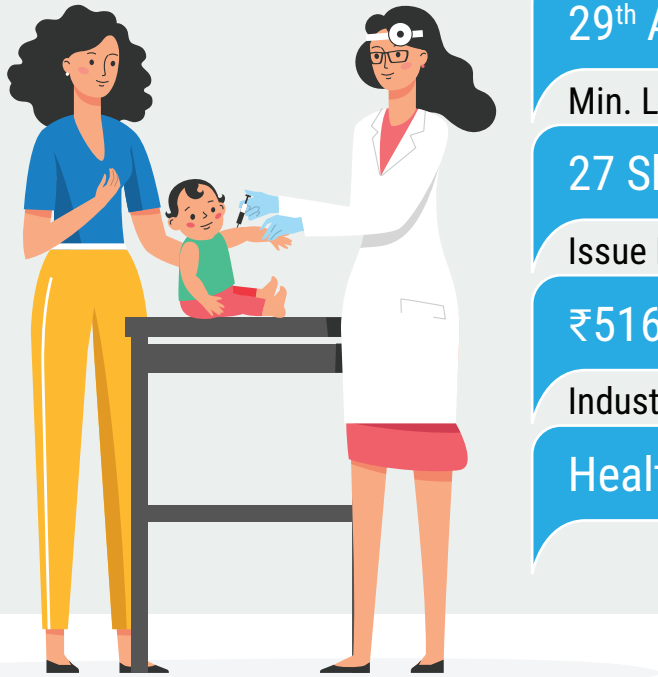




IPO DETAILS

Rainbow Children's Medicare Limited

#IPOlogy



Issue Opens

27th Apr 22, Wed

Issue Closes

29th Apr 22, Fri

Min. Lot Size

27 Shares

Issue Price Band

₹516 - ₹542

Industry

Healthcare

Issue size

Fresh Issue:

5.17 Mn Equity Shares
(₹2,800.00 Mn)

OFS:

24.00 Mn Equity Shares
(₹13,008.49 Mn)

Face Value

₹10

Listing at

NSE, BSE

Objectives of the Issue

Early redemption of NCDs issued by the Company to CDC Emerging Markets Limited ("CDCEML") in full

Capital expenditure towards setting up of new hospitals and purchase of medical equipment for such new hospitals

General corporate purposes

Rating

SUBSCRIBE

APPLY NOW

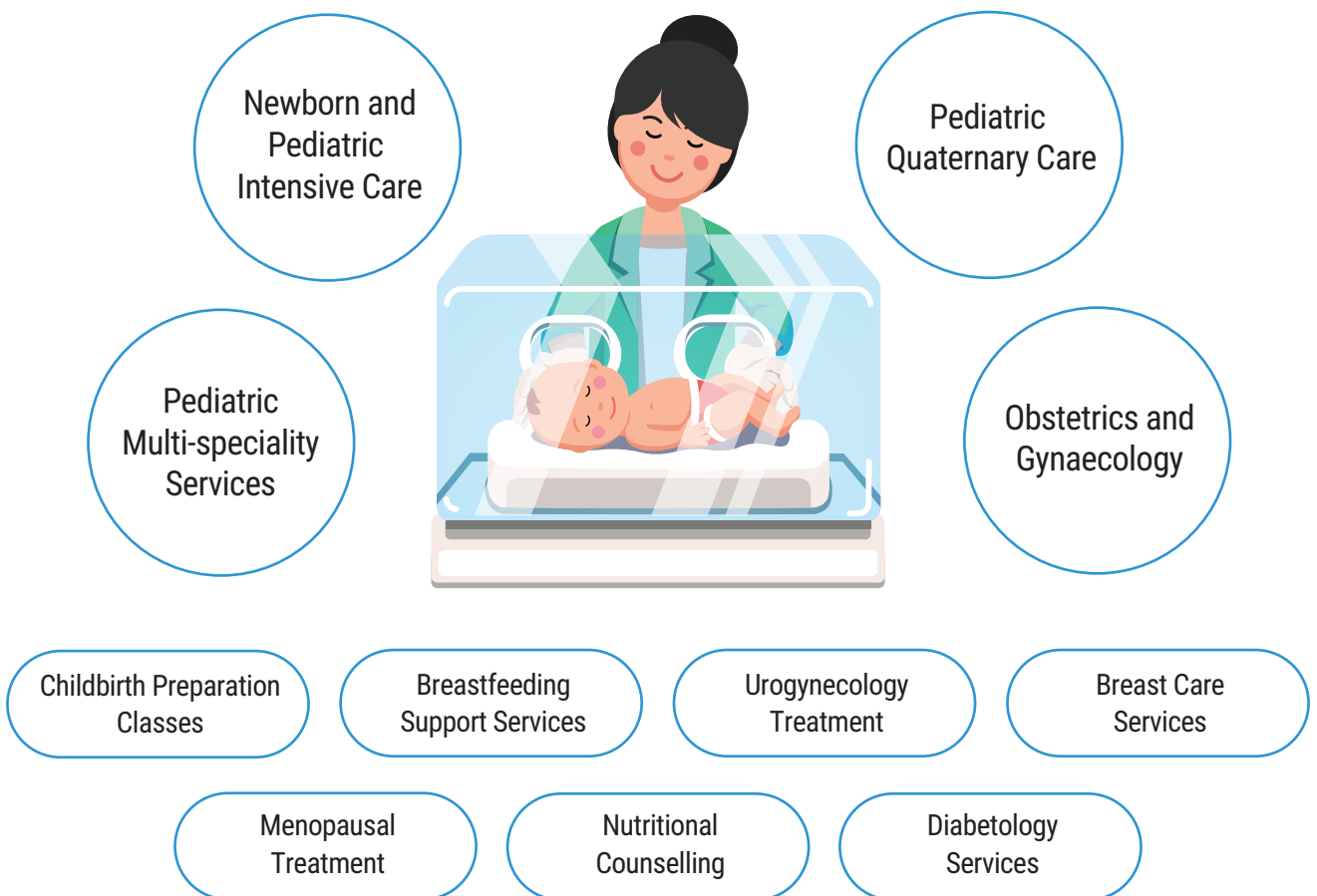


Rainbow Children's Medicare Limited

Company Overview

Rainbow Children's Medicare Ltd is a leading multi-specialty pediatric, obstetrics, and gynecology hospital chain in India, operating 14 hospitals and three clinics in six cities, with a total bed capacity of 1,500 beds, as of December 31, 2021. Currently, 5 of their hospitals are accredited by NABH and 3 of their hospitals are certified by EDGE.

Company's Offerings



The company had the **highest number of hospital beds amongst comparable players** in the maternity and pediatric healthcare delivery sector, as of March 31, 2021.



Full-time Doctor Model

It operates on a full-time doctor model ensuring that most of the core specialists are available 24/7 which is particularly important for children's emergency, neonatal, and pediatric intensive care services. As of September 30, 2021, the company had 602 full-time doctors and 1,686 part-time/visiting doctors.



Hub-and-spoke Model

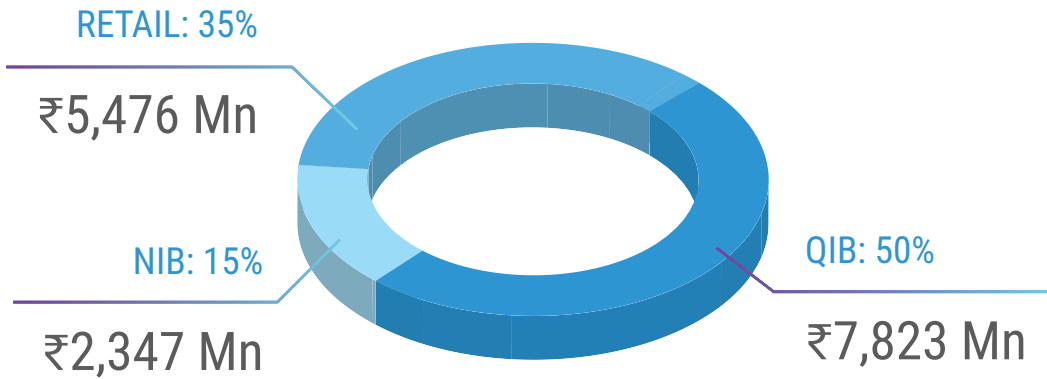
The company follows a hub-and-spoke model in Hyderabad, with their Banjara Hills hospital (comprising 250 beds) being the hub and 4 spokes at 4 locations in Hyderabad, namely Secunderabad, LB Nagar, Kondapur and Hydernagar.



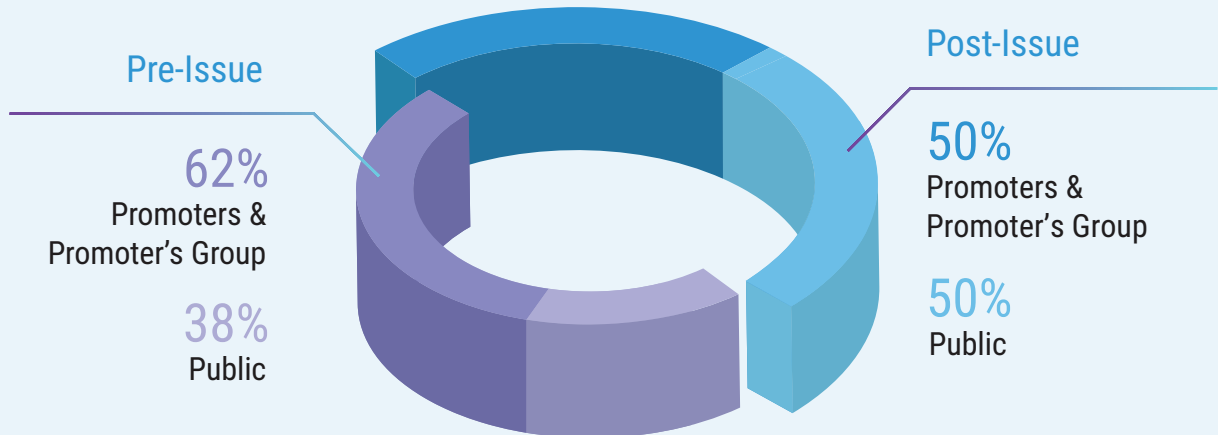
Rainbow Children's Medicare Limited

Issue Details

Issue Break-Up



Shareholding Pattern



Capital Structure (in ₹)



1,391 Mn

Authorized Equity
Share Capital



963 Mn

Paid-Up Capital
(Pre-Offer)



1,015 Mn

Paid-Up Capital
(Post-Offer)



Rainbow Children's Medicare Limited

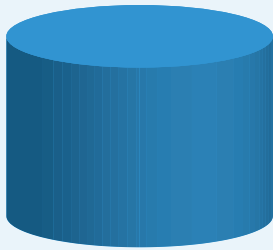
Valuations and Peer Comparison

Market Cap
₹55,013 Mn

Market Cap
₹672,680 Mn

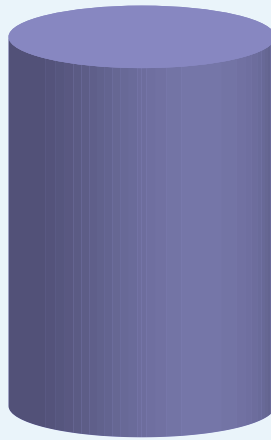
Market Cap
₹203,910 Mn

P/E Ratio



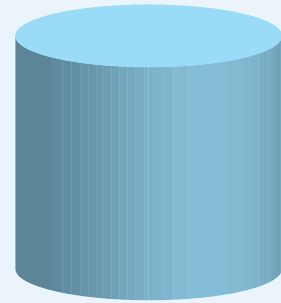
43.16x

Rainbow Children's Medicare Ltd.



77.3x

Apollo Hospital Enterprise Ltd.



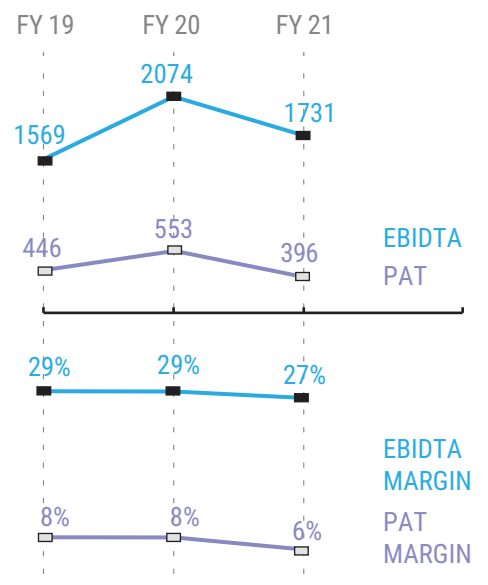
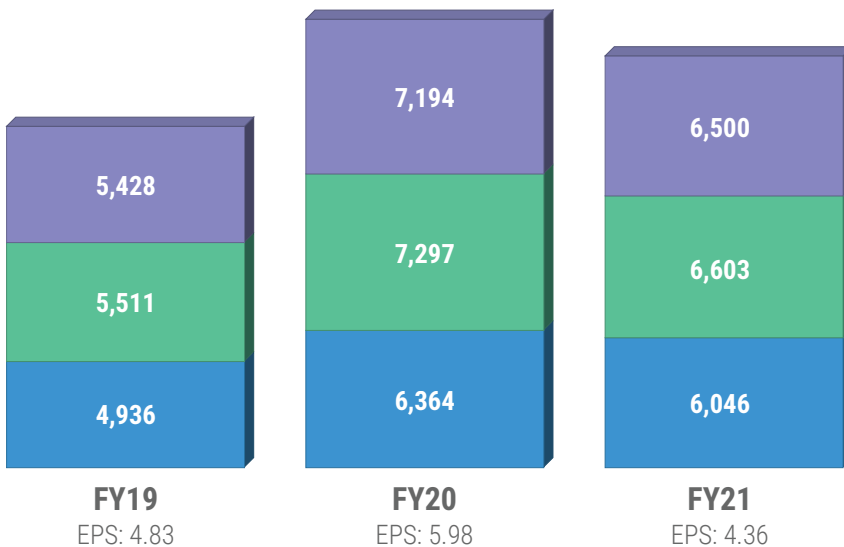
56.9x

Fortis Healthcare Ltd.

Market Cap data of listed securities as on Apr 25, 2022

Financial Snapshot (₹ in Mn)

- Revenue
- Total Income
- Total Expenses





Rainbow Children's Medicare Limited

Business Insights



Competitive Strengths

- Ability to conceptualise, create, and operate specialised children's hospitals
- Leading pediatric multi-specialty healthcare chain with strong clinical expertise in managing complex diseases
- Comprehensive perinatal care provider, with synergies between pediatrics, 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
- Experienced senior management team with strong institutional shareholder support



Business Strategy

- Strengthen tertiary and quaternary pediatric services in existing hospitals
- Further grow comprehensive perinatal services offered under "Birthright by Rainbow"
- Grow presence through hub and spoke networks across key geographic clusters and new locations
- Initiatives to drive performance efficiencies
- Digital healthcare initiatives to address patient convenience, operational efficiencies, and expand



Risks

- There are 3 outstanding criminal proceedings against the company, one of which is against the director who is also the promoter of the company
- The company operates in a regulated industry, and compliance with applicable safety, health, environmental, labour, and other regulations or failure to obtain or renew approvals, licenses, registrations and permits, may adversely affect the business

Promoters and Management Details

Dr. Ramesh Kancharla - Chairman and Managing Director

Dr. Dinesh Kumar Chirla - Whole-Time Director