

Rainbow Children's Medicare Limited
24th Annual General Meeting Transcript
September 15, 2022 at 11:30 A.M (IST)

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| Call Duration | • 1 hour and 12 minutes |
| Management Participants | <ul style="list-style-type: none"> • Dr. Ramesh Kancharla – Chairman and Managing Director • Dr. Dinesh Kumar Chirla – Whole-Time Director • Prof. Anil Dhawan – Independent Director • Mr. Santanu Mukherjee – Independent Director • Ms. Sundari R. Pisupati – Independent Director • Mr. R. Gowrisankar – Chief Financial Officer • Mr. Ashish Kapil – Company Secretary and Compliance Officer |
| Auditors & Scrutinizer | <p><u>Statutory Auditors:</u></p> <ul style="list-style-type: none"> • Mr. Jhahanwijha Shyamsukha, Partner, M/s BSR & Associates LLP • Mr. Venu Madhav Namburu, Associate Director, M/s BSR & Associates LLP <p><u>Secretarial Auditor & Scrutinizer:</u></p> <ul style="list-style-type: none"> • Mr. K. V. S. Subramanyam, Designated Partner, M/s BS & Company Company Secretaries LLP <p><u>Cost Auditors:</u></p> <ul style="list-style-type: none"> • Ms. K. V. N Lavanya, Sole Proprietor, M/s Lavanya and Associates |
| Speaker Shareholders | <ul style="list-style-type: none"> • Mr. Vineet Narang • Mr. Girish Bakhru • Mr. Kamal Kishore Jhavar • Mr. Suresh Chand Jain • Mr. Reddeppa Gundluru |

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| | <ul style="list-style-type: none">• Mr. Praful Chavda• Mr. Bharat Raj• Mr. Ramesh Manguluri• Mr. Vinay Vishnu Bhide• Mr. Ramesh Shankar Golla |
| Moderator: | <p>Good Morning, and a warm welcome to the 24th Annual General Meeting of Rainbow Children's Medicare Limited. It is a pleasure to have all of you in this meeting, which is the 1st Annual General Meeting held after the listing of Equity Shares of the Company. Please note that this AGM is conducted through video conferencing in accordance with the provisions of Companies Act 2013, various circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.</p> <p>For better experience, Members are encouraged to join the session with high speed wire internet connectivity to prevent dropouts or speed related issues. Participants connecting from mobile devices or tablets or through laptop connected via mobile hotspots may experience audio/video loss due to fluctuations in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of foresight glitches.</p> <p>The Company has taken all the efforts to enable its shareholders to participate through video conference and vote at the AGM in a seamless manner. During the AGM if any shareholder faces technical issues, you may contact the helpline number mentioned in the notice of AGM.</p> <p>For smooth conduct of the meeting, all the shareholders have been kept on mute mode by default to avoid any disturbance from the background noise.</p> <p>Before we begin the proceedings of meeting, I would like to introduce you to the Company's Directors and Management. Let me start with requesting Dr. Ramesh Kancharla.</p> |

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| <p>Dr. Ramesh Kancharla:</p> | <p>Good Morning Members. I am Dr. Ramesh Kancharla, Chairman and Managing Director of your Company. I am also a Member of a Corporate Social Responsibility Committee, Risk Management Committee and Stakeholders Relationship Committee. I am attending this meeting from Hyderabad. Thank you.</p> |
| <p>Moderator:</p> | <p>Thank you.</p> <p>Dr. Dinesh Kumar Chirla.</p> |
| <p>Dr. Dinesh Kumar Chirla:</p> | <p>Good Morning Members. I am Dr. Dinesh Kumar Chirla, I am the Whole Time Director of your Company. I am also a Member of Corporate Social Responsibility Committee. I am attending this meeting from Hyderabad. Thank you.</p> |
| <p>Moderator:</p> | <p>Thank you.</p> <p>Prof. Anil Dhawan.</p> |
| <p>Prof. Anil Dhawan:</p> | <p>Good Morning Members. My name is Anil Dhawan, I am Independent Director of your Company. I am also the Chairman of Corporate Social Responsibility Committee and Member of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. I am attending this meeting from Hurghada, Egypt.</p> |
| <p>Moderator:</p> | <p>Thank You.</p> <p>Mr. Santanu Mukherjee.</p> |
| <p>Santanu Mukherjee:</p> | <p>Good Morning Members, I am Santanu Mukherjee, Independent Director of your Company. I am also Chairman of Audit Committee and the Risk Management Committee of the Board. I am also the Member of the Nomination and Remuneration Committee and Corporate Social Responsibility Committee. I am attending this meeting from Hyderabad. Thank you.</p> |

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| <p>Moderator:</p> | <p>Thank you.</p> <p>Ms. Sundari R Pisupati.</p> |
| <p>Sundari R. Pisupati:</p> | <p>Good Morning Members. I am Sundari R Pisupati, Independent Director of your Company. I am also the Chairperson of the Stakeholders Relationship Committee, and Member of the Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. I am attending this meeting from Hyderabad. Thank you.</p> |
| <p>Moderator:</p> | <p>Thank you.</p> <p>Mr. R Gowrisankar.</p> |
| <p>R Gowrisankar:</p> | <p>Good Morning Members. I am R Gowrisankar, Chief Financial Officer of your Company. I am also a Member of Risk Management Committee. I am attending this meeting from Hyderabad. Thank you.</p> |
| <p>Moderator:</p> | <p>Thank you.</p> <p>Mr. Ashish Kapil.</p> |
| <p>Ashish Kapil:</p> | <p>Good Morning Members, I am Ashish Kapil, Company Secretary of your Company. I am attending this meeting from Hyderabad. Thank you.</p> |

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| <p>Moderator:</p> | <p>Thank you all.</p> <p>In addition, we also have Mr. Jhahanwijha Shyamsukha, Partner and Mr. Venu Madhav Namburu, Associate Director, M/s. BSR & Associates LLP, Statutory Auditors of the Company, Mr. K V S Subramanyam, Designated Partner, M/s BS & Company Company Secretaries LLP, Secretarial Auditor of the Company and Ms. K. V. N Lavanya, Sole Proprietor, M/s Lavanya & Associates, Cost Auditor of the Company. I now request Mr. Ashish Kapil, Company Secretary to provide the general instruction to the Members regarding participation in the meeting.</p> |
| <p>Ashish Kapil:</p> | <p>Thank you moderator. A very Good Morning to all the Members. It gives me immense pleasure to welcome all of you to the 24th Annual General Meeting of Rainbow Children's Medicare Limited, which is being held through video conferencing following our IPO in May 2022. This will be the first AGM in which our public shareholders are participating.</p> <p>Before, I hand over to the Chairman for conducting the proceedings, I would like to highlight certain points. In view of the COVID 19 pandemic, the Ministry of Corporate Affairs has permitted the holding of Annual General Meeting through Video Conferencing, or other Audio Visual Means without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of Companies Act 2013, and circulars issued by the Ministry of Corporate Affairs, this year's Annual General Meeting is being held through video conferencing.</p> <p>I request you to take note of the general instructions regarding participation and voting at this meeting:</p> <p>The Company has tied up with NSDL to provide the facility for voting through remote e-voting, e-voting during the AGM and participation in the AGM through video conference.</p> <p>Live streaming of this meeting is being webcast on NSDL's website.</p> |

The facility of joining the AGM through VC was open at 11:00 A.M, i.e., 30 minutes before the scheduled time and shall be kept open throughout the proceedings of this AGM.

The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or Arrangements in which Directors are interested and other relevant documents has been made available electronically for inspection by the Members during the AGM upon login to NSDL e-voting system.

As per the Ministry of Corporate Affairs Circular dated April 8, 2020, read with circular dated May 5, 2022, the facility for appointing proxies for this video conference AGM has been dispensed with. The body corporates however, are authorized to appoint representatives to vote or participate in this meeting on their behalf.

The Registered and Corporate Office of the Company are in Hyderabad. The deemed venue for this AGM is the Corporate Office of the Company and the proceedings of these meetings shall be deemed to be made thereat, for transacting the businesses mentioned in the notice of AGM dated August 8, 2022.

The Company has received request from Members to register them as a speaker at this meeting. During the Q&A session moderator will subsequently announce the names of the speaker shareholders who have registered as speakers for this meeting.

The Members may note that according to the Article of Association of the Company, the Chairman of the Board shall be entitled to take the chair at the Annual General Meeting of the Company.

Participation of Members through video conference is being recorded for the purpose of quorum as per the circulars issued by the Ministry of Corporate Affairs and Section 103 of the Companies Act. The quorum being present, therefore, I call this meeting to order.

With this, may I now request, the Chairman of our Board and Chairman of this meeting Dr. Ramesh Kancharla to chair this Annual General Meeting.

**Dr. Ramesh
Kancharla:**

Thank you, Ashish.

Dear shareholders,

I take great pleasure to welcome all of you to the 24th Annual General Meeting, which is the first since our successful listing earlier this year, both on NSE and BSE.

I welcome the new institutional as well as retail shareholders to the Rainbow family of shareholders. I would like to take the opportunity to once again to thank our bankers and team Rainbow for working untiringly in the challenging times in order to position our Company effectively during the IPO process.

I am a pediatrician and I have spent considerable time working in United Kingdom. I complete my specialization in the City of London in pediatric gastroenterology, liver diseases and liver transplantation. I have had the opportunity to be associated with some of the world renowned children's hospitals like Great Ormond Street Children's Hospital, and King's College Hospital London. So, during the initial days of my career, I noticed a significant need for quality pediatric healthcare in India and this perception was accentuated during my stay in UK. We needed an established that puts children at the heart of the business model with an ambience and infrastructure to match.

Consequently, I returned to India to set up rainbow as India's first pediatric multi-specialty hospital and added comprehensive perinatal care in 2007 to address high risk pregnancies and multidisciplinary fetal care. We have a very differentiated model within that healthcare, which has been successfully evolving over the last 20 years with the unremitting efforts of like minded colleagues, and a comprehensive team of highly experienced medical professionals. Today, Rainbow is the India's largest pediatric healthcare chain with a 1555 beds across 15 hospitals in six cities. One of our standalone fertility center has been accredited by JCI, 6 of our hospitals are NABH accredited, 2 of them are in the process of NABH accreditation and 3 of our hospitals are Edged certified for our ESG initiatives.

Our institution provides wide range of pediatric multi-specialty care, including neonatal intensive care, pediatric intensive care, pediatric multi-specialty services, pediatric quaternary care, including organ transplantation. Birth rate by Rainbow is an integrated obstetric offering within the children's hospital. It offers complex and high risk pregnancy care, a multidisciplinary fetal care, perinatal, genetics, and fertility care.

We have established our obstetrics offerings in all our hospitals including hub and spokes hospitals.

I would like to touch upon some of the highlights and milestones achieved during the financial 2022. We conducted 8.4 lakh outpatient consultations and treated over 66,000 inpatients in FY22. One sixth of these patients have been admitted and treated in neonatal and pediatric intensive care services. We have successfully conducted over 12,600 deliveries across our network.

So, Rainbow is an institution built on very strong fundamentals of multidisciplinary approach coupled with the technology and an advance support system to take care of the sick kids, sick children. Unique doctor engagement model with our full time engagement covering 24x7 with the consultant led service to ensure excellent clinical outcomes of the children. Child centric approach, which includes children focused environment, specifically designed play areas, soothing color schemes, chain safety gadgets, and the children friendly staff and doctors.

For the benefit of those who are engaging with us for the first time I would like to share some of the differentiating aspects of our model with you.

In order to provide accessible quality health care services within our identified competency, we have conceptualized and executed a hub and spoke model in and around the cities where we are present. I believe this is an appropriate model for pediatric as well as the obstetric healthcare in the large cities to deliver effective and efficient care. Hubs are typically about 200 to 250 beds, and the spokes are about say 50 to 75 beds. The Hub hospital will have a large size of intensive care services, pediatric multi-specialty services and pediatric quaternary care services especially in Hyderabad. The spokes hospitals provide emergency care for both women and children and have a large outpatient services with the level three new born intensive care services with a wide array of obstetric services. We have designed the process in such a way that any complexity arising from the spokes will be referred seamlessly to the hub. Apart from operational excellence, it helped towards brand building of Rainbow.

Our hub and spoke model is now well established in Hyderabad and is gaining traction in Bangalore. We have a very recently inaugurated new spoke hospital in Chennai with the 55 beds. So, with this new addition Chennai will have an aggregate of 190

beds. Further we see an opportunity to do the regional spokes between Hyderabad, Chennai and Bangalore.

Rainbow is also associated with the country's largest academic training program in the private sector i.e., DNB which is the residency program pediatrics and the fellowship programs in pediatric super specialties and intensive care services. Currently, we have over 200 doctors undergoing training. We also enjoy the distinction of being the examination center for the UKs MRCPCH and conduct this examination for them in our hospitals in Hyderabad and Bangalore.

I also wish to talk about our unique doctor engagement model. We have 640 full time doctors with a large number of senior doctors, specialist's doctors similar to my background. They are trained pediatricians and had further specialized in pediatric intensive care services, as well as a pediatric specialty services from the developed countries like UK, United States and Canada. What has worked in our favor to attract high quality medical talent is that we are able to build the hospitals, as well as the kind of clinical concept very similar to the Western world. We also include retainer to this doctors for first two to three years for them to have a financial support.

Pediatric care is an underserved segment within the healthcare services. However, with the increase in urbanization, raise in per capita income and growing insurance penetration, health awareness, as well as the large nuclearization of the Indian and families plus the proliferation of technology, these are the tailwinds for the industry.

Notwithstanding the challenging environment in the wake of COVID-19. Rainbow Children's Medicare Limited consolidated financial and operating performance in FY 22 was significantly better as compared to FY 21. So, revenue for FY 22 increased to 973 crores versus a 650 crores in FY21 a growth of 50% likewise, operating EBITA in FY22 increased to 304 crores versus 162 crores in FY21 with an increase of 87%. Profit after tax in 22 increased to 138.7 crores versus 39.6 crores with a growth of 250%. Your Board recommended a final dividend of 20% (Rs.2 per Equity Share) for FY22.

Since inception of the facilities Rainbow has been an ardent believer in concept of ESG. And as a whole over the years taken several steps in this direction. This resulted in water conservation, reduction in power consumption and also we were able to kind of secure 3 EDGE certifications for our ESG initiatives.

It is an obvious premise that we need healthy children to strive for a nation of healthy and productive adults. The United States of America has over 250 children's hospitals, i.e., almost one children's hospital for every 20 adult hospitals. So, well over 97% of the children's are treated for all the complex problems in children's hospitals only. In India still at a nascent stage in providing a pediatric multi-specialty and quaternary care. Rainbow is determined to play its part in building and enhancing the access to the pediatric multi-specialty care in our country.

We continue to undertake bold and innovative initiatives which we believe will keep us scale new peaks in the years to come. We are going to expand in the areas where we are already present. And in the next five years, we are going to add about 1000 beds in existing cities where we are present. We are simultaneously working to extend our model seamlessly the digital realm, looking towards the future we are developing state of the art digital applications with AI powered chat bots to enable better customer care, customer engagement as well as patient experience. We are in the process of ramping up our HIS system to offer bedside EMR and also exploring virtual ICU management.

I trust I have been able to communicate to you a salient factors regarding our brand, our operations and a sense of what we do, what do we expect from a growth perspective. I once again sincerely thank all the stakeholders for the reposing their fate during our two decade long journey and supporting us in reaching the new milestones. The new journey ahead is exciting. I urge our stakeholders to continue onwards on this journey. Thank you.

Okay, now the Members may take note that:

- Mr. Aluri Srinivasa Rao who is an Independent Director and Chairman of the Nomination and Remuneration Committee could not attend this meeting due to preoccupation. Mr. Santanu Mukherjee, an Independent Director and Member of Nomination and Remuneration Committee, shall represent him on behalf of the Committee.
- The Auditor's Report to the financial statements of the Company and Secretarial Audit Report for the financial year ended 31st March 2022 do not

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| | <p>contain any qualifications, observations or comments on financial transactions or matters which had adverse effects on the functioning of the Company, hence are not required to be read at this meeting.</p> <ul style="list-style-type: none"> As the notice has already been circulated to all the Members, I take the notice convening the AGM as read. |
| | <p>Now let me take up items set forth in the notice of AGM.</p> <p><u>Item No. 1</u> - To adopt standalone and consolidated financial statements for the Financial Year 2021-22 and the Reports of Auditors' and Directors' thereon.</p> <p><u>Item No. 2</u> - To declare dividend Rs.2 per equity share for the financial year ended March 31, 2022.</p> <p>Since Item No.3 relates to my re-appointment for which I am considered interested with the permission of the Members present, I request Dr. Dinesh Kumar Chirla, Whole Time Director of the Company to conduct proceedings for the said item.</p> <p>I will take up Item No.4 after Dr. Dinesh finishes proceedings of Item No. 3.</p> |
| <p>Dr. Dinesh Kumar Chirla:</p> | <p>Thank you, Dr. Ramesh.</p> <p><u>Item No. 3</u> - Re-appointment of Dr. Ramesh Kancharla as Director of the Company liable to retire by rotation.</p> <p>Let me now request Dr. Ramesh Kancharla to carry forward the rest of the proceedings of this AGM.</p> |
| <p>Dr. Ramesh Kancharla:</p> | <p>Thank you, Dr. Dinesh.</p> <p>So, now, let me take up the rest of the items.</p> |

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| | <p>Item No. 4 - Ratification of the remuneration payable to M/s. Lavanya and Associates cost auditors of the Company for the financial 22-23.</p> <p>Item No. 5 - Cancellation of unissued shares of the one class which are preferential shares and increase in shares of other classes which are equity shares in the authorized capital of the Company and consequent amendment of Memorandum of Association of the Company.</p> |
| <p>Moderator:</p> | <p>Thank you Dr. Ramesh.</p> <p>I now request Mr. Ashish Kapil, Company Secretary to give instructions about the e-voting.</p> |
| <p>Ashish Kapil:</p> | <p>Thank you moderator.</p> <p>The Members may take note that the Board of Directors have engaged the services of NSDL for providing the e-voting facility.</p> <p>Please note that the Company had provided the remote e-voting facility to its Member to cast the votes electronically on all the resolutions set forth in the notice convening the 24th AGM. The remote e-voting commenced on Sunday September 11, 2022, at 9:00 A.M and ended on Wednesday, September 14, 2022, at 5:00 P.M.</p> <p>Members who have not cast their votes yet and are participating in this meeting can cast their votes during this meeting through the e-voting system provided by NSDL. Members can go to the voting page of NSDL website and cast their vote during the meeting.</p> <p>Please note that the Board of Directors of your Company have appointed Mr. KVS Subramanyam, Designated Partner of M/s. BS and Company, Company Secretaries LLP as scrutinizer to scrutinize the remote e-voting and e-voting process during the AGM in a fair and transparent manner.</p> <p>The resolutions along with explanatory statement is provided in the notice circulated to the Members.</p> |

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| <p>Moderator:</p> | <p>Thank you. We will now begin question-and-answer session. Dear shareholders, the speaker shareholder may now ask questions pertaining to any item set forth in the notice and offer their valuable comments. During the Q&A session the names of the speaker shareholders will be announced subsequently and maximum time allowed to each speaker would be 3 minutes.</p> <p>When the name is announced, kindly unmute your microphone and switch your camera on and speak for better experience we would request shareholders to use earphone so that they are clearly audible, verify the network connectivity ensure that the Wi-Fi is not connected to any other devices. No other applications are running in the background.</p> <p>Members are request to confine their comments to the business set out in the notice of AGM and not to repeat questions raised by other Members.</p> <p>If any shareholder is unable to speak due to connectivity issue, the next speaker shareholder will be allowed to ask the question. Once your connectivity improves and if the time permits, the speaker shareholder may called again to join only after the other speaker shareholders have completed their question to avoid repetition, the answers to all the questions will be provided towards the end.</p> <p>Ladies and gentleman, we will wait for a moment while the question queue assembles. I now request the first speaker shareholder Mr. Vineet Narang, please proceed with your question.</p> |
| <p>Vineet Narang:</p> | <p>Hi, Management Team and congratulations on the first AGM. I have two questions.</p> <p>So, my first question is on the business model itself, how are the economics of a child and mother care hospital different from a multi-specialty hospital?</p> <p>Second question, pertains to our scaling up efforts, what are scaling up and replicating this business model outside our core geography in South India and could you update us on the progress of the same?. Thanks.</p> |

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| <p>Moderator:</p> | <p>Thank you very much. I now request the next speaker shareholder, Mr. Girish Bakhru. Please proceed.</p> |
| <p>Girish Bakhru:</p> | <p>Hi, team Rainbow thank you for allowing me this opportunity.</p> <p>So, first question was on the hub and spoke model for the pediatric services. What is the normal time period in a pediatric hospital to gain occupancies over 60%, 65% which we normally see with other multi-specialty hospitals?</p> <p>My Second question was essentially on the ARPOB, which saw significant growth last quarter. So, over the next two, three years if you could give some outlook on how ARPOB will move from here as more spokes add intensive care and pediatric specialties?</p> <p>And lastly, if you can also share long term plans for markets like Chennai and North Delhi, especially New Delhi, so how will the mix look like in four, five years North versus South ?. Thank you.</p> |
| <p>Moderator:</p> | <p>Thank you very much. I now request the next speaker shareholder Mr. Suresh Chand Jain. Please proceed with your question. Mr. Suresh Chand Jain, please proceed with your question. As there is no response from the current speaker shareholder, we will move on to the next speaker shareholder connected on audio. Mr. Kamal Kishore Jhavar. Please proceed with your question.</p> |
| <p>Kamal Kishore Jhavar:</p> | <p>Greetings to Mr. Chairman and to all the Directors, it's our first AGM and the facility of video conference is very nice. I request you to continue the facility of video conference every year. Our market cap is above 6300 Crore which is appreciable.</p> <p>I wish our Rainbow Children's Hospital should be famous with the best doctors and Rainbow should be number one in India. Apart from Rainbow, we are also shareholders of KIMS, Apollo Hospitals, Dr. Lal Path Labs etc. Our secretarial department has emailed and explained us everything.</p> |

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| | <p>Sir, let us know about the Company's future plans. Please note that in balance sheet there are legal expenses and donations, as your Company is big, you have to give donations and there will be legal expenses also. Now a days, people are doing business in the name of donations, they give cheque's on Company's name and collect 50% commission on the same. So, whoever comes up to you with questions regarding legal expenses and donations, please ask them to get the full details from the auditors and provide them with complete details. Earlier, one of the shareholders of Dr. Reddy's Laboratories have asked the Company about all legal expenses, donations etc. The Company called the auditor and answered all the questions. I suggest you also to follow the same in order to gain faith of the shareholders. I would like to say that you should focus on what is happening under your guidance. We may hold one share or 100 shares, but we should know what is happening in the Company. This video call is advantageous than a physical meeting, as it saves our traveling time. In video call, we get a chance to discuss and get to know much about the Company. I wish you a very happy Dussehra and Diwali. Please maintain the reasonable rates in the hospitals, which will be advantageous to the poor people and provide good service with best doctors. Hope our Company's name always shine. Thank you sir.</p> <p><i>(The above speech is translated into English from Hindi for the purpose of maintaining uniformity in this transcript)</i></p> |
| <p>Suresh Chandra Jain:</p> | <p>Respected Chairman sir, Directors and my fellow shareholders. Due to some technical issue, I was unable to connect earlier. Myself Suresh Chandra Jain. I highly appreciate the work done by you, I support all the resolutions. and i agree with all the words spoken by Mr. Kamal Kishore. As Mr. Kamal Kishore said regarding Dr. Reddy's case, please ensure to follow the same and solve the queries of shareholders. If the person is from another state like Kolkata, you can ask them to mail and reply accordingly. Thank you for the opportunity and wish you the success and I thank you and your team for treating the children. Thank you.</p> <p><i>(The above speech is translated into English from Hindi for the purpose of maintaining uniformity in this transcript)</i></p> |
| <p>Moderator:</p> | <p>Thank you. I now request the next speaker shareholder Mr. Reddeppa Gundluru. Please proceed.</p> |

**Reddeppa
Gundluru:**

Thank you moderator. First of all, Chairman, Dr. Ramesh Kancharla sir, Dr. Dinesh Kumar Chirla sir. Mr. Aluri Srinivasa Rao sir, Dr. Anil Dhawan sir, Mr. Santanu Mukherjee sir, Ms. Sundari Raviprasad Madam and Ashish Kapil sir, Company Secretary and all the Directors, Non-Executive Independent Directors of the Company and also my co shareholders of this video conference. Good Morning sir, Namaste my name is Reddeppa Gundluru from Hyderabad sir, I am a financial advisor sir. Sir as a shareholder I am very happy and proud about the Company performance. Financial year 2022 is very wonderful sir. Mr. Chairman sir, Dr. Ramesh Kancharla sir, you have given very good information speech and also wonderful colorful AGM report.

Sir, first of all, I would like to share my incident in 10 years back. Sir, I would like to share in Telugu, 10 years back there was some problem with my child. Now he's studying 10th class, then immediately I rushed in to Vikrampuri Hospital sir, at that point of time I was unaware of Vikrampuri Rainbow Hospital, but somebody have suggested that there is a Children's Hospital and asked us to consult there, then immediately we rushed to Vikrampuri Hospital. The treatment was started immediately, the way of receiving and the way doctors spoke was wonderful. From that day I feel the hospital which gives a rebirth to small children is Rainbow Hospital. Now, I am very happy that our company got listed and I am one the shareholders of the Company and talking to you in this AGM.

I am very happy sir, and also I am congratulating on successful IPO I wish all the best for the future endeavors also sir, I am very proud and very happy sir and little bit emotional also, thank you so much sir. And sir I appreciate the corporate governance is wonderful sir, especially this transparency of accountability and also integrity is wonderful sir, that is the reason special thanks to my Company Secretary and all the KMP's and special kudos to them sir. Sir financial, there is no need to talk in the financial it's wonderful sir, consistent growth and also you have given very good dividend after IPOs Rs.2/- you have given sir we are very happy and congratulations go ahead sir. Strong operational performance sir, you have very good quality management with the technical momentum, you have very good growth mindset sir thank you so much sir. And also sir very good award also you received, recognition you have received all over the India.

Sir, I would like to thank the CSR team also you are doing very good CSR to tremendous support to the social services, especially healthcare and poor section support especially sports support sir. Sir you are giving this donation sir, don't give donations, instead of giving donations to some NGO's, you can spend directly by taking up the project which is more better, this is my suggestion. And also another suggestion is sir, please find out the tribal area dropout sir, please support them, wherever like in AP or Telangana, there if you can give vocational course to dropouts it will be helpful for poor people, especially also look into women empowerment it will also be better sir.

And also few questions Mr. Chairman, what is our upcoming two years future vision? And also sir any expanding plans to in any other states, any other acquisition sir I would like to know. This is my second question sir?

Third one is sir what is the revenue addition in this financial year so please comment if any major.

And also, sir in Andhra Pradesh there is a new district headquarter, so my question is sir any plans to establish our services over there, like each city we can collaborate with the government and you can establish the services over there sir its' a very good, because in new districts there are few problems, specially in Annamayya district there are lack of facilities, there is a district named Rayachoti District, from there we have to go, either to Tirupathi or Bengaluru or Chennai. So, if there is a Children's hospital especially in Annamyaa Dictrist it will be helpful, this is my fourth observation sir. I wish all the best sir.

I would like to thank my Company Secretary Ashish Kapil always reachable. The other day when I called, Ashish sir spoke very encouragingly and he gave a respect to the Shareholders. Thank you so much wonderful receiving to the shareholder sir. And also sir I personally believe that my Company will achieve many more ahead of leadership of this my doctor great doctor Dr. Ramesh Kancharla Sir, I wish all the best to all the Board Members and happiness and health. Thank you so much God bless you.

(Some words in the speech which were spoken in Telugu are translated into English for the purpose of maintaining uniformity in this transcript)

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| Moderator: | Thank you. I now invite the next speaker shareholder Mr. Praful Chavda. Please proceed. |
| Praful Chavda: | Chairman sir, Am I Audible? |
| Ashish Kapil: | Yes Sir, you're audible. Please go ahead. |
| Praful Chavda: | <p>Greetings to the Board of Directors and all the shareholders. Everyone, including the Chairman and Company Secretary has given importance to the first meeting after the IPO. I hope for the Silver Jubilee Meeting, there will be some special dividend or some special AGM which will be memorable. Apart from this, on the Silver Jubilee year, if you can provide any discounts for the patients who are your shareholders. I would like to say few things, firstly you are opening a new hospital in Chennai, please think of opening one hospital in Rajkot, Gujarat, you will get a good business. The people near Rajkot are facing issues, they have to travel 350 kilometers from Jamnagar to Ahmedabad to visit a doctor in Ahmedabad, It's almost 350 kilometers from major locations like Jamnagar, kutch. We don't have any children special hospital in Rajkot. So if you open one new hospital in Rajkot, it will be a good business for the Company. Doctors and hospitals are not meant to earn money but to help people and give them good health.</p> <p>Being a Children's specialist, it's very difficult to treat little, unlike elders, children can't explain about their problems. If my son cries, who is of 20 years, we won't be afraid. But if my kid or granddaughter cries who is of one year or two years old and if she is unwell and if you treat them, we feel happy and will praise you from our heart. I thank you for being a children's doctor and treating them. So, it's a great help for what you are doing, and thank you for being a children's specialist.</p> <p>Sir, there are in house medical shops in every hospital but they don't give us any discount on medicines. Whereas in some other medical shops they give us a 20%-25% discount. So, you also consider giving discounts in your medical shops. For example, if we purchase medicines of Rs.1000,2000 and if we get a 20% discount, then we will save Rs.200, Rs.400.</p> |

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| | <p>Sir, the Chairman's speech and few videos which were played before the meeting were quite informative. Few shareholders said that they received a good response from the Company secretary, but I haven't received any sort of communication from the Company Secretary, is there some difference or some of the shareholders might have said not to talk to Praful Chavda, which I am unaware. I wish our Company should grow and reach heights and hope we will celebrate the silver jubilee year together. Thank you.</p> <p><i>(The above speech is translated into English from Hindi for the purpose of maintaining uniformity in this transcript)</i></p> |
| <p>Moderator:</p> | <p>Thank you. I now invite the next speaker shareholder connected on audio. Mr. Bharat Raj. Please proceed.</p> |
| <p>Bharat Raj:</p> | <p>Good Morning respected Board of Directors. My name is Bharat Raj calling from Hyderabad, first of all I congratulate Mr. Ramesh, Chairman of our Rainbow Children's Medicare Limited for successfully completing the IPO. Congratulations to the entire Board of Directors, all the best sir. Sir, first of all Dr. Ramesh Garu you create a goliath in the market. You are the best hospital for the children's. I hope in India nobody is there but you have created a separate hospitals for the children's and given lot of new births to the children sir. I am very proud of you sir, this relationship continue, it will continue lifetime sir, I have seen that we are in five states Telangana, Andhra, Tamil Nadu, Karnataka, sir what are the future plans for the North India sir I mean Maharashtra, Orissa, all over India, because North India is very important market sir what is the future plan to get to the North India. Sir regarding the IPO, where you parked the money, how you invested the money and if you can give the break up sir. Sir no need to provide any CSR, you have done wonderful CSR, the way you have donated TTD I am very happy sir. And the way in general thank you very much. And can we expect in the silver jubilee a surprise gift to the shareholder, bread and butter for shareholder is dividend, in any bonus because silver jubilee gives lot of impact for the shareholder and employee so how we want to reward our employees also sir, because they have been with you from the inception of the organization with you so how you want to honor them, for the 20 years, how you want to honor them please let us know.</p> |

Sir, your average cost of bed, what is the average cost. Sir, if you want to setup a multi-specialty hospital what will be the cost of each bed.

Sir our brand ambassador is Mahesh Babu, I am very proud sir, he is very best for this. Sir, may I know how many years is his contract sir can you please let us know how much you paid royalty or what is the way of transaction.

I am very happy sir, how is the impact of Mahesh Babu once he enters into the Rainbow Hospital, so what is the impact please let me know sir.

Sir one more thing I want to share, Apollo Hospital is big giant in corporate hospital they give discount coupons regarding diagnostic, medical or any treatment. So, why not Rainbow is giving such discount coupons to the shareholders. Please consider the sir, as this will allow us to walk into a hospital, instead of going to some other they will go to the hospital and different of revenue for our organization. Please look into the discount coupons also sir.

Sir, I am very proud of you sir Dr. Ramesh, in the silver jubilee I hope we will have a very good get together with a grand lunch and with very good interaction, we want to honor you for your work and I thank Mr. Gowrisankar our CFO for working hard, I know the way he is initiating funds and everything is wonderful, thank you Mr. Gowrisankar all the best for coming years.

Sir, I thank Mr. Ashish sir, I forget Ashish sir he called from Delhi sir, the way he is relationship with the shareholder is wonderful. Because, he is not there his assistant called me and I told him to call me. He called me and inquired about it and he is very friendly with me sir, whatever queries he have helped me with them. Mr. Ashish Kapil, I hope he came from North India, hope you will be in South India now. We will interact soon and we have very good interaction with you. All the best for the coming years Mr. Ashish, god bless you. Entire Board of Directors and all the best for the coming years and I support all the resolutions. Thank you very much.

Moderator:

Thank you very much. I now request the next speaker shareholder Mr. Ramesh Shankar Gola. Please proceed. Mr. Ramesh Shankar Gola please proceed with your

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| | <p>question. Mr. Gola, please unmute your audio and video from your device and proceed with your question. As there is no response from the current speaker shareholder, we'll move on to the next speaker shareholder. Mr. Srikant Jhawar. Please proceed. Mr. Srikant Jhawar, please proceed with your question. There is no response from the current speaker shareholder. We'll move on to the next speaker shareholder. Mr. Ramesh Manguluri connected on audio. Please proceed.</p> |
| <p>Ramesh Manguluri:</p> | <p>Good Morning, everyone. I am Ramesh Manguluri speaking from Hyderabad sir. Sir I have three questions.</p> <p>Number one: Can you give a seasonality in your business, like quarter on quarter which is the best and which is the lowest?</p> <p>Number two: occupancy in majority which hospital is very less 36%, is it likely to go up I would like to know number.</p> <p>Number three: Sir, what kind of bed addition we can expect from you in FY 23-24 and what kind of margin expansion your business is expecting. And also sir, building facilities, what kind of service is it here, because you had not included 130 beds in your bed capacity.</p> <p>Thank you very much.</p> |
| <p>Moderator:</p> | <p>Thank you very much. I now invite the next speaker shareholder Mr. Vinay Vishnu Bhide connected on audio. Please proceed with your question.</p> |
| <p>Vinay Vishnu Bhide:</p> | <p>I am Vinay Bhide and I am a Company shareholder from Mumbai. I am joining this meeting on audio call because I am outside place. And I would start, Dr. Kancharla, Dr. Chirla and other Directors joining this meeting, Company secretary, shareholders good afternoon to all of you. I have gone through the Company's annual report and I have few questions to understand of the Company's business.</p> |

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| | <p>The first thing is that what I believe is that for any Company which is in services they are expected to do well and it is the feedback of the customer which is very crucial so from that point of view I would like to know what the Company is doing to the feedback of the patient which is admitted into the hospital and their parents and their relative are we taking any feedback from them or are we taking any reference from them, because that is the key to our business, that is point number one if you are not doing it please do it.</p> <p>Second thing, I just wanted to understand the hub and spoke model of the Company and what percentage of our revenue comes from the hub and spoke model that is my second point. Otherwise I think we are doing really well and what I see from the financial is that the occupancy rate which are around 54% went down to around 44%, 33% they have come back to around 44% or so. So, we were supposed to grow but customer referrals and the customer feedback is most important in this particular business, so please advise what to do otherwise we are going to be a grand Company in the coming year.</p> <p>I wish the Directors and the employees all the best. Thank you for giving me the opportunity to speak.</p> |
| <p>Moderator:</p> | <p>Thank you very much. The line from Mr. Ramesh Shankar Gola has reconnected. Mr. Gola please proceed.</p> |
| <p>Ramesh Shankar Golla:</p> | <p>Good Morning Mr. Chairman and all Directors and my co-fellow shareholders. Very warm welcome to you sir. Sir, I am very happy that our Company came to IPO. I feel happy whenever I see Rainbow Hospital. As you have issued IPO, we could also join the Company. I thank the management for such opportunity. Sir, in the future coming years, how our Capex is going to be and further how are you planning to develop the business in the near future, please explain. Further, I want to know about our CSR activities. And, where are we opening the new branches, in all India wise, Northern, Eastern, Western and South. We being in to Hospitality sector. we wish to meet you personally and share our happiness. I am Ramesh Shankar Golla speaking from Hyderabad. As Company Secretary is a bridge between shareholders and management, I request Company Secretary to arrange a personal meet with you in</p> |

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| | <p>order to share our views. Thanks for giving me this very good opportunity sir. Sir, first of all how many doctors we have please let me know. Thanks to the Secretarial department, for giving me such good opportunity. I would like to meet the Company Secretary personally also. Please convey the same to him. Thank you very much. It is good opportunity to me. I wish you and your family members a very Happy Ganesh Chaturthi. Thank you, have a good day. God bless you all sir. Thank you very much.</p> <p>(Some words in the speech spoken in Telugu were translated into English for the purpose of maintaining uniformity in this transcript)</p> |
| <p>Moderator:</p> | <p>Thank you. Ladies and gentleman that was the last question for today. Now, the Company's management will respond to queries received from speaker shareholders, including those received through email prior to the meeting. Over to you sir.</p> |
| <p>Dr. Ramesh Kancharla:</p> | <p>Thank you very much. Now, I will address the questions that we have heard from shareholders. So, I will try and answer common questions together. The question from Mr. Vineet Narang is about the economics of mother and child health care. So, it is very different health care model, generally what happens with Children's Hospital is a pediatric hospital, lot of things are very different because our average length of stay is very different. Our revenue cycles are very different from adult multi-specialty hospital and for example from Rainbow perspective, it's kind of so we have a short ALOS, higher ARPOBs and occupancies will be lower generally because there is some seasonality and we have differential areas of beds, for example 18% of the beds are in the newborn intensive care unit, so we cannot keep any other childlike in multi-specialty or baby or anything, so that's only for new born babies. Similarly some woman's specialty beds are there, some of them are actually isolation beds and some pediatric intensive care unit. So, there are differential area, majority state what we do is generally we can get it to 65% to 70% generally, but it varies between the season to season. So, that's how the occupancy is, the revenue metrics will be like very similar to adult multispecialty health care. But the only difference is that our ALOS are low. Our outpatient revenue is also pretty higher because we do see large number of outpatients in children's hospital. Our outpatient revenue is ~28-30% of the total revenue 10% difference will be there between the OPD revenue from adults to</p> |

pediatrics, we do more revenue between outpatient department. So, on the scaling of our business I will answer together a lot of questions around expansions.

We built Hyderabad base for 20 years, started with one hospital in Hyderabad, now Hyderabad is well established hub and spoke model and we have about 730 beds.

We are tracking very well in Bangalore city. So, we are going to take a very similar approach of Hyderabad in Bangalore, Chennai, and NCR, for our expansions, we are going to add 1000 beds in next five years and 75% of the beds are going to be added in these locations mostly in the form of spokes to mature hub as well as the spokes in these locations is the main agenda for the next five years' time. So, most of the 1000 beds or so almost 70% of them are going to be in the existing geographies.

So, in terms of the growth, we're kind of expanding in Bangalore and Chennai as well as Delhi, Delhi we have ambitious plans about expanding in next coming years, two to three years' time. Delhi, is NCR to do a larger scale of expansions across NCR area, moving into the kind of other parts of the Northern India is probably will take some time. The business plan for next five years' time is to do this 1000 beds. The hub and spoke model right now from maturity wise as the spokes also mature really faster, the important thing is obvious for the specialty services. So, specialties will take time to get bed in children's hospital. So, it will take about five to six years' time to build. However, the intensive care services, pediatric service will get matured faster, the maternal services will mature faster, the maturity of the children's multi-specialty care will take much longer time. So, where are the spokes, once we are here in that city, our brand is recognized the spokes get ramped up much faster because they're smaller in size. And also we do the spokes in the rapidly growing parts of the city for the convenience of the patients. So, in terms of ARPOBs, the average revenue per bed is one of the highest ARPOBs with Rainbow that's because of three reasons. Main reasons are, shorter ALOS and we have a medical hospital. It's not like a multi-specialty dominantly surgical hospital. So, it's a lot of intensive care services we do, lots of outpatients we do, significant number of deliveries we do, all these things have got a higher revenue per day. Because we deal with a lot of sickness. The art of growth year-on-year what we expect is about the 6% to 7% of the growth we expect moving forward in future.

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| | <p>In terms of a four, five years plans as I said about 1000 beds most of the beds are going to be in the spokes. Some of them are strengthening the hubs, especially at the end of five years, we were able to kind of get to the stage where we are close to where we are today in Hyderabad like Bangalore, Chennai, and NCR. That's what actually we are aiming to be in the next five years time to do our classic hub and spoke model and the hub to do all the multispeciality including the quaternary care like doing organ transplants.</p> <p>In terms of CSR money, we do directly some of the funding and some of the funding through the organizations which are actually involved in educating the school dropouts, tribal and woman empowerment. We are specific about where we are spending the money because being a woman and children's hospital, so we try to support, tend to support children who are kind of underprivileged, who have got ambition to the sports we support, and also the woman's empowerment, skill development, as well as the kind of some of the tribal children who are the school dropouts. Those are the jobs we are doing through these organizations, sometimes doing alone, ourselves probably is going to be herculean task that's why we identify those areas.</p> <p>In terms of moving to other parts of the country, like in the Western part of India like Ahmedabad and Mumbai. So, probably five years later we look at opportunistically if there is a great opportunity when we are able to execute our business plan quicker and sooner we will explore to go into the Western part of the country. We do recognize there's a need in these areas. In terms of the cost per beds, I will ask Mr. Gowrisankar to answer, some of the numbers have been asked.</p> |
| <p>R Gowrisankar:</p> | <p>Cost per bed we have, there are two questions one is about the cost per bed for us, for us we are taking about 50 lakhs for spokes and 60 lakhs for hub hospitals, and for adult hospitals it's about 1.5 crores to 2 crore actually. And second is, with respect to our IPO proceeds utilization and we have received about Rs. 266 crores net of IPO expenses out of that we have utilized 40 crores towards the repayment of NCD as stated in the objective of the offer in our RHP and prospectus and rest of the money we have invested in fixed deposits with scheduled banks as stated in our prospectus.</p> |

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| <p>Dr. Ramesh Kancharla:</p> | <p>So, in terms of the expansions in Andhra Pradesh, there's a question about it. So, we are already there in Vijayawada and Visakhapatnam. So, we are hoping to actually connect southern cities through the regional spokes in future between Hyderabad, Bangalore and Chennai, because these are the cities which are close by and also a lot of cultural mix. And Rainbow brand is very well recognized across Southern India. So, we want to leverage that and do the regional spokes to connect these cities.</p> <p>And one of the shareholders Mr. Reddeppa Gundluru, was saying about his child was admitted in Rainbow. See, most of our feedbacks from the patients, most of the patients actually who comes to Rainbow get treated, they are our brand ambassadors. So, the word of mouth is a significant factor in building Rainbow. So, that's been our main parents of the Rainbow who has actually been kind of a huge support. Perhaps, I always address that, before anyone else I always address the parents of the country because they are the people who actually recognize the need of children's hospital and also because they know the pain when the child goes through the problem, whether it is physical. The advantage of Rainbow is 24x7, there's a consultant doctor in the hospital, which nobody else does in the country. So, that's what is a huge advantage for the parents, when they bring their sick child, that they get to see a very senior doctor who is capable of handling any emergency. So, that's the major strength of the Rainbow.</p> <p>For patient feed backs we actually take feedback from all our inpatients before they get discharged actually and also we invite them to come on our platforms to give us a feedback sometimes they have a hesitation to give us directly. So, there is the unofficial command even other platforms also like Google and Facebook. And we are very active on social media. So, we get to know the patient's concerns and those things. So, we do get back to the patients within 24 hours of the complaint is raised. So, that is what we are working towards it. We are able to address that from the unit level, the managerial people.</p> |
| <p>Ashish Kapil:</p> | <p>We can move forward sir.</p> |
| <p>Dr. Ramesh Kancharla:</p> | <p>Yes. I hope I have answered most of the questions.</p> |

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| | <p>In case of any queries raised by you have remained unanswered. You may please send a request by writing an email to Company Secretary. The Company Secretary on receipt of your queries shall respond suitably.</p> <p>The resolutions as set forth in the notice of AGM shall deem to be passed today, subject to receipt of requisite number of votes. We are grateful to all of our shareholders from all over the world who have joined the meeting through video conference and offer their most valuable suggestions to make the Company better. I would also like to thank my fellow board Members who continue to provide an enormous guidance to the board and for attending this meeting. I wish you all the very best. Take care and stay safe.</p> <p>Now, I authorize Mr. Ashish Kapil, Company Secretary to conclude the meeting.</p> |
| <p>Ashish Kapil:</p> | <p>Thank you sir.</p> <p>Members may take note that the voting on the NSDL platform will continue to be available for the next 15 minutes. Therefore, Members who have not cast their vote yet are requested to do so.</p> <p>Please note that the results of the e-voting conducted at the AGM aggregated with the results of remote e-voting shall be announced on or before September 19 2022. And also be made available on the website of the Company, websites of the stock exchanges i.e., BSE Limited and NSE Limited and on the website of NSDL.</p> <p>With this we conclude the meeting. Thank you once again for making it convenient to attend the meeting.</p> |
| <p>Moderator:</p> | <p>Dear shareholders, as advised by the scrutinizer the time for e-voting has elapsed, and he is of the view that all Members who are participating in the Annual General Meeting have been given adequate time and opportunity to vote at the AGM. This concludes the proceedings of AGM. Thank you all for participating in the AGM and e-voting.</p> |