



June 28, 2025



National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051.
Symbol: RAINBOW

BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001.
Scrip Code: 543524

Sub: Agreement for acquisition.

Ref: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI Listing Regulations, we wish to inform that, the Business Strategy & Investment Committee ("**Committee**") of the Company in their meeting held Today i.e., June 28, 2025 inter alia considered and approved the execution of Share Subscription Agreement and Shareholders' Agreement for acquisition of 76% of fully diluted equity share capital and 100% of Non-Convertible Redeemable Preference shares ('NCRPS') of M/s. Prashanthi Medicare Private Limited ("**Prashanthi Hospital**") which operates 100 beds hospital at Warangal.

The requisite disclosure as per Regulation 30 of SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, is enclosed as "**Annexure – A**" to this letter.

A press release and a presentation in this respect is enclosed herewith as "**Annexure - B**".

The Committee Meeting commenced at 9:30 AM and concluded at 12:30 PM.

We request you to kindly take the same on record.

Thanking You,

Yours Faithfully,

For **Rainbow Children's Medicare Limited**

Shreya Mitra
Company Secretary and Compliance Officer

Encl.: As above

Rainbow Children's Medicare Limited

Registered Office: 8-2-120/103/1, Survey No. 403, Road No. 2, Banjara Hills, Hyderabad, Telangana - 500034.

Corporate Office: 8-2-19/1/A, Daulet Arcade, Karvy Lane, Road No. 11, Banjara Hills, Hyderabad, Telangana - 500034.

Hyderabad: Banjara Hills - 040-22334455 | Secunderabad - 040-42462200 | Kondapur IP - 040-42462400 | Kondapur OP - 040-42462100
Hyder Nagar - 040-42462300 | L B Nagar - 040-71111333 | Financial District - 040-69313233 | Himayat Nagar - 040-48873000

Vijayawada: Currency Nagar - 0866-6669666 | Governorpet - 0866-6650250

Chennai: Guindy - 044-40122444 | Sholinganallur - 044-69659000 | Anna Nagar - 044-69289928

Bengaluru: Marathahalli - 080-42412345 | Bannerghatta Road - 080-25512345 | Hebbal - 080-35061555 | Sarjapur - 080-62282999

Delhi: Malviya Nagar - 011-66888866 | **Visakhapatnam:** Health City - 0891-3501601 | Siripuram - 0891-3501555

Annexure - A

| S. No | Particulars | Details |
|-------|---|---|
| a) | Name of the target entity, details in brief such as size, turnover etc.; | Name: Prashanthi Medicare Private Limited ('Prashanthi Hospital') CIN: U86100TS2024PTC187117 Authorized Capital: ₹ 10,00,00,000/- Paid-up Capital: ₹ 36,00,000/- Turnover (as at March 31, 2025): Nil |
| b) | Whether the acquisition would fall within related party transaction(s) and whether the Promoter/ Promoter Group/ Group Companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"; | No. The acquisition would not fall within related party transactions. The Promoter/ Promoter Group/ group companies do not have any interest in the entity being acquired. |
| c) | Industry to which the entity being acquired belongs; | Healthcare Services |
| d) | Objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity); | The acquisition of Prashanthi Hospital will deepen Rainbow's footprint in its home state, reinforcing its position as the leading provider of pediatrics & women healthcare, particularly in North Telangana. Strong demographic base, rising healthcare demand, and Increasing urbanization, makes it an ideal location for a regional healthcare hub. Integration of the Warangal facility with Rainbow's Hyderabad hub will enable advanced referrals, super-specialty consultations, and access to quaternary-level care for complex pediatric and maternal cases for Warangal Region. |
| e) | Brief details of any governmental or regulatory approvals required for the acquisition; | No governmental or regulatory approvals are required for the acquisition of shares of Prashanthi Hospital. |
| f) | Indicative time period for completion of the acquisition; | Within 30 days |

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| | | |
|-----------|--|---|
| g) | Consideration - whether cash consideration or share swap or any other form and details of the same; | Cash consideration |
| h) | Cost of acquisition and/ or the price at which the shares are acquired; | For 76% of fully diluted Equity share capital, Company will invest ~Rs. 24.85 Cr. For 100% of Non-convertible Redeemable Preference Shares ('NCRPS'), Company will invest ~Rs. 7.75 Cr. |
| i) | Percentage of shareholding/ control acquired and/ or number of shares acquired; | Post-acquisition the Company will hold 76% of fully diluted Equity Shares and 100% of Non-Convertible Redeemable Preference Shares ('NCRPS') |
| j) | Brief background about the entity acquired in terms of products/ line of business acquired, Date of Incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief); | <p>Brief background:</p> <p>M/s. Prashanthi Medicare Private Limited is a company incorporated under the Companies Act, 2013 and having its registered office at 7-3-94, Brahmanawada, Machilibazar, Hanamkonda, D H Suthoon, Warangal - 506011, Telangana, India.</p> <p>Prashanthi Hospital is a 100 beds NABH-accredited hospital offering a full spectrum of services, including obstetrics, gynecology, laparoscopic surgeries, neonatology, pediatrics pediatric critical care.</p> <p>Date of Incorporation: July 1, 2024</p> <p>Country in which the acquired entity has presence: India</p> <p>History of last 3 years turnover: NA</p> <p>Note: The existing proprietorship business has been recently transferred to a newly incorporated entity i.e., M/s. Prashanthi Medicare Private Limited, through a Business Transfer Agreement. All requisite medical licenses are being transitioned or obtained in the name of the new company.</p> |

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Rainbow Children's Hospital Strengthens Telangana Footprint with strategic Acquisition of Prashanthi Hospital, Warangal

Hyderabad, June 28, 2025: Rainbow Children's Medicare Limited (RCML), India's leading pediatric multi-specialty and perinatal care hospital chain, is pleased to announce the signing of a definitive agreement to acquire a majority stake in M/s Prashanthi Medicare Private Limited ("**Prashanthi Hospital**"), at Warangal - the second-largest district and a prominent business hub of Telangana.

Established in 2015 by **Dr. Prasanthi Macha**, **Prashanthi Hospital** is a 100-bed NABH-accredited facility with a strong reputation for delivering high-quality care across obstetrics, gynecology, neonatology, pediatrics, and minimally invasive surgery. Recognized for its clinical excellence, patient-centric approach and strong regional brand equity, the hospital has become a preferred healthcare destination for women and children in Warangal region.

This strategic acquisition underscores RCML's continued expansion in Telangana and further strengthens its presence in southern India. It also reflects the **Company's growth plan to expand into tier-II cities where specialized healthcare services remain underserved**. The addition of Prashanthi Hospital increases RCML's capacity by 100 beds, taking its total network size to 2,035 beds across 20 hospitals in 7 cities.

The transaction values Prashanthi Hospital at an enterprise valuation of **~INR 32.60 crore** (subject to working capital adjustment), **representing ~ 9 times the estimated FY25 adjusted EBITDA** and is fully funded through RCML's existing cash reserves and internal accruals. RCML will acquire a controlling stake of 76% in fully diluted equity capital & 100% stake of Non-convertible Redeemable Preference Shares (NCRPS), while Dr. Prasanthi Macha along with associates will retain a 24% minority interest.

Following the acquisition, the regional hub facility will be rebranded as '**Rainbow Children's Hospital**' for pediatric care and '**Prashanthi with Birthright**' for women's care. The hospital will be seamlessly integrated into RCML's hub-and-spoke network ensuring clinical alignment and streamlined referral network to the Hyderabad hub for advanced tertiary and quaternary care.

Dr. Ramesh Kancharla, Chairman & Managing Director, Rainbow Children's Medicare Limited, said: "We are delighted to welcome Prashanthi Hospital into the Rainbow's network. This partnership enables us to deepen our roots in Telangana and bring high-end pediatric, neonatal, and maternal care to families in Warangal region through our proven hub-and-spoke model, while strengthening our capabilities in multi-specialty pediatric care."

Dr. Prasanthi Macha, Director, Prashanthi Hospital, added: "We are excited to partner with Rainbow, a national leader in pediatrics and women healthcare. Partnering with Rainbow helps us leverage their strong leadership, clinical expertise, and extensive network to provide even higher standards of pediatric and maternal care to our community."

About Rainbow Children's Medicare Limited

Rainbow Children's Medicare Limited network comprises of 20 hospitals and 5 clinics in 7 cities, with a total bed capacity of 2,035 beds. Our Pediatric services operating under the brand "Rainbow Children's Hospital" includes newborn and pediatric intensive care, pediatric multi-specialty services, pediatric quaternary care (including organ transplantation); whereas our women care services under "Birthright by Rainbow" offers perinatal care services which includes normal and complex obstetric care, multi-disciplinary fetal care, perinatal genetic and fertility care along with gynecology services.

Rainbow Children's Hospital built on strong fundamentals of a multidisciplinary approach with a full-time consultant led clinical service along with 24/7 commitment in a child centric environment. The company follows a hub-and-spoke operating model where the hub hospital provides comprehensive outpatient, inpatient care, with a focus on tertiary and quaternary services, while the spokes provide 24/7 emergency care, large outpatient services and comprehensive obstetrics, pediatric inpatient and level 3 NICU services. This model is successfully operational at Hyderabad and is gaining traction in Bengaluru. The endeavor is to replicate this approach in Chennai and across the National Capital Region. Subsequently Rainbow intends to expand into tier-2 cities of Southern India.

Rainbow Children's Hospital embraces a unique doctor engagement model, where doctors work exclusively on a full-time, retainer basis. The doctors work in teams and have 24/7 commitment, which is particularly important for children's emergency, neonatal, pediatric intensive care services and to support pediatric retrieval services. The Company also operates the country's largest pediatric DNB training program in private healthcare, offering post graduate residential DNB and fellowship program.

Please visit www.rainbowhospitals.in for more information. You may also reach out to:

Saurabh Bhandari / Vikas Maheshwari

Rainbow Children's Hospital

Tel: + 91 40 2233 4455 / 4969 2222

Email: investorrelations@rainbowhospitals.in

Safe Harbor

Certain statements in this document could be forward-looking in nature. Such forward-looking statements remain subject to certain risks and uncertainties like government actions, political or economic developments, technological risks, and certain other factors which cannot be quantified but which could cause actual results to differ materially from those underlined by those forward-looking statements. Rainbow Children's Medicare Ltd. (RCML) will not be in any way responsible for any action taken based on such statements and does not undertake to publicly update these forward-looking statements to reflect subsequent events or circumstances.



Update on Acquisition : Prashanthi Hospital, Warangal

28th June, 2025

Warangal : An upcoming Investment Destination

❖ Warangal : Economic & Strategic Positioning

- ✓ Satellite City to Hyderabad : Warangal is the second-largest district of Telangana, and its proximity and connectivity to Hyderabad, makes it an ideal location for business expansion
- ✓ Population : Estimated at 1.2 million for the Warangal Urban with significant draining area
- ✓ Emerging Urban Hub & Smart City : Warangal, along with Hanamkonda and Kazipet—collectively known as the “Tri-City”, is rapidly emerging as an urban hub, with significant growth in infrastructure, public services, and economic development



❖ Healthcare Ecosystem & Medical Infrastructure

- ✓ As part of healthcare development strategy, the Telangana Government is actively developing Warangal as a medical hub
- ✓ Referral Center for 5+ Million People : Positioned to serve patients from Northern Telangana and nearby states like Chhattisgarh
- ✓ Kakatiya Medical College (KMC): Established in 1959, admits 250 undergraduate students annually and offers various postgraduate programs, contributing significantly to the region's medical workforce. It is under going expansion presently.

Brief on Prashanthi Hospital, Warangal



Dr. Prasanthi Macha
MBBS, DGO,
MS (Gen. Surgery), FMAS

Established in 2015 by Dr. Prasanthi Macha, a Senior Obstetrician and Gynecologist with over a decade of experience in high-risk and complex obstetric care, the hospital, since, has emerged as a leading center for women and child health care in North Telangana.

- ✓ First dedicated Mother & Neonatal Level III Care Hospital in Telangana outside Hyderabad, addressing a critical gap in advanced maternal and pediatric services in the region
- ✓ 100-bed NABH-accredited facility offering comprehensive care across obstetrics, gynecology, laparoscopy, neonatology and pediatrics
- ✓ ~35% of beds allocated to ICUs, enabling management of neonatal and pediatric cases with round-the-clock specialist care
- ✓ Recognized as a trusted and referral center for maternal and child health, known for clinical expertise, personalized care and strong community connect

Rainbow & Prashanthi Hospital : Synergy

- ✓ Strengthening Market Leadership in Telangana : The proposed acquisition will deepen Rainbow's footprint in its home state, reinforcing its position as the leading provider of pediatrics & women healthcare, particularly in North Telangana. Strong demographic base, Rising healthcare demand, and Increasing urbanization, making it an ideal location for a regional healthcare hub.
- ✓ With an established operational setup, good infrastructure, and a team of doctors and staff, Prashanthi Hospital provides a ready platform for Rainbow to upgrade and scale tertiary services faster and at a lower cost than greenfield / brownfield expansion.
- ✓ The continued involvement of Dr. Prasanthi Macha, a star and highly regarded Obstetrician and Gynecologist in Northern Telangana, will ensure clinical continuity, patient trust, and strong local leadership, facilitating smooth integration and transition post-acquisition.
- ✓ Improved Access & Emergency Coverage : The partnership will significantly enhance 24/7 emergency and critical care services, expanding access to high-quality maternal and pediatric care across the Warangal region. Located centrally in North Telangana, Warangal provides seamless access to patients from adjacent districts.
- ✓ Clinical Excellence & Standardization : By leveraging Rainbow's leadership as India's largest pediatric healthcare network, the collaboration will drive clinical standardization and elevate the quality of critical care delivery in North Telangana.
- ✓ Expanding Tertiary & Quaternary Care Reach : Integration of the Warangal facility with Rainbow's Hyderabad hub will enable advanced referrals, super-specialty consultations, and access to quaternary-level care for complex pediatric and maternal cases.
- ✓ Talent Development & Retention : Rainbow's academic and training ecosystem will support the development of local clinical talent, enhance staff retention and build long-term institutional capabilities in the region.

Transaction Details

- The existing proprietorship business has been recently transferred to a newly incorporated entity i.e. M/s Prashanthi Medicare Private Limited, through a Business Transfer Agreement. All requisite medical licenses are being transitioned or obtained in the name of the new company.
- Through the Shareholders' Agreement (SHA), Rainbow will acquire a controlling stake of 76% in fully diluted equity capital and 100% stake in Non-convertible Redeemable Preference Share capital of the company. As per the agreement, Rainbow will have a call option to acquire the remaining shares after six years, while the existing shareholders hold a put option exercisable after five years.
- Hospital will be Re-Branded as under :
 - ✓ "Rainbow Children's Hospital" (Pediatrics Care)
 - ✓ "Prashanthi with Birthright" by Rainbow Hospitals (Women Care)
- Rainbow will invest ~Rs. 24.85 Cr. through Equity (fresh subscription of shares) to acquire 76% stake in fully diluted equity capital
- Rainbow will further invest ~Rs. 7.75 Cr. through Non-Convertible Redeemable Preference Shares (NCRPS) to support Balance sheet
- Whole transaction will be funded from existing cash reserves and Internal Accrual

Thank You

“It takes a lot to treat the little”

