Company Overview

Rays of Belief Limited is a specialised developmental care and early intervention company operating under the “Mom’s Belief” brand. Incorporated in August 2017, the company commenced operations with its first centre in Gurugram in 2018 and has since built a sizeable intervention platform for children with Neurodevelopmental Disorders (NDDs). The company is promoted by Nitin Bindlish, who serves as Managing Director, along with Singapore-based Carving Futures Pte. Ltd. Rays of Belief provides personalised intervention programmes for children with conditions including Autism Spectrum Disorder (ASD), ADHD, Down Syndrome, Cerebral Palsy, Intellectual Disability, Learning Disabilities and Global Developmental Delays. Its multidisciplinary model combines clinical assessment and personalised goal planning with occupational therapy, speech and language therapy, behavioural support, special education and parental guidance. The company primarily generates revenue through its network of intervention centres in India, supplemented by digital therapy, home-based learning programmes and overseas clinical and business support services. As of March 31, 2026, Rays of Belief operated 136 centres across 57 cities in 20 states and Union Territories, with a meaningful presence in Tier 2 and Tier 3 markets. The network operates through a combination of company-managed centres, partnerships with licensed medical & clinical professionals, and collaborations with schools. Under company-operated centres, the company retains the service revenue, while partner-led and school-based centres operate under pre-agreed revenue-sharing arrangements. Its dominant partnership model enables the company to work with local paediatricians, psychiatrists and other professionals while expanding its intervention network across different geographies. The physical centre network is complemented by digital e-therapy, parent-support consultations and customised home-learning programmes, allowing families to continue intervention beyond centre-based sessions. These programmes use proprietary play-based teaching tools and structured progress-monitoring frameworks, supporting the company's broader approach of involving parents actively in the child's developmental journey. The platform is supported by over 340 full-time clinical professionals, including psychologists, occupational therapists, speech-language pathologists, special educators and behavioural therapists. The company has also established an international presence through specialised service exports and its acquisition of Mom's Belief US, Inc. in June 2025, along with its step-down subsidiary, Allergy and Immunology Virginia, LLC. This acquisition added three operating centres in Virginia, USA. Overall, Rays of Belief operates an asset-light, multi-channel developmental care model combining physical intervention centres, professional partnerships, school collaborations, digital services and home-based learning programmes, and has served over 58,000 children and families since commencing operations.

Objects of the issue

The Offer comprises entirely a fresh issue of Rs. 1,250 million. The company proposes to utilise the net proceeds from the fresh issue towards:

⇒ Funding capital expenditure towards establishment of new centers on leased premises (tenure of 11 months - 3 years) and associated technology (hardware) costs;

⇒ Expenditure for lease payments for the existing centers in India;

⇒ Investment in the subsidiary, Mom’s Belief US Inc., for making lease / license payments for the existing centers in the USA;

⇒ Expenditure for brand awareness and inclusive outreach programs;

⇒ Funding inorganic growth through unidentified acquisition; and

⇒ General corporate purposes

Investment Rationale

Strong positioning in an underserved and fragmented NDD intervention market

Rays of Belief, operating under the Mom's Belief brand, has built a significant position in the specialised market for intervention services for children with Neurodevelopmental Disorders (NDDs). The company is India's largest clinical network in the segment and the world's seventh-largest, giving investors exposure to a niche and specialised segment of the healthcare and developmental care market that has limited representation in the listed space. This is particularly relevant given the increasing awareness and diagnosis of conditions such as Autism Spectrum Disorder (ASD), ADHD and other developmental disorders, which is driving greater demand for structured and specialised intervention services. The market opportunity is supported by a substantial gap in access to specialised developmental care. India's NDD market was estimated at Rs. 52,620 million in CY25, while specialised therapy segments are expected to witness sustained double digit growth over the longer term. However,

Issue Details	
Offer Period	01st Sept 2026 - 03rd Sept 2026
Price Band	Rs. 227 - Rs. 239
Bid Lot	62
Listing	BSE & NSE
Issue Size (no. of shares in million)	52.3
Issue Size (Rs. in million)	1,250
Face Value (Rs.)	10

Issue Structure	
QIB	75%
NII	15%
Retail	10%

BRLM	Mefcom Capital Markets Ltd.
Registrar	KFin Tech. Ltd.

Particulars	Pre Issue %	Post Issue %
Promoter & Promoter Group	91.72%	68.77%
Public	8.28%	31.23%
Total	**100.00%**	**100.00%**

(Assuming issue subscribed at higher band)

Research Team - 022-61596138

access to trained professionals and organised intervention programmes remains particularly limited outside major metropolitan cities. Mom's Belief has focused significantly on these underserved markets, with 94 out of its 136 Indian centres located in Tier 2 and Tier 3 cities. This provides the company access to markets where specialised developmental care remains relatively scarce and where increasing awareness and diagnosis can translate into significant demand. The company has expanded its network from 71 centres in FY23 to 136 centres as of March 2026 and has served over 58,000 children and families since inception, demonstrating its ability to scale the model across multiple geographies. Its planned addition of 190 centres using IPO proceeds provides further scope to deepen its presence across existing markets and enter new locations. Given the fragmented nature of the industry, increasing awareness of NDDs and the significant underpenetration of organised intervention services across India, we believe Mom's Belief is well positioned to benefit from the growing demand for specialised developmental care.

Differentiated and asset-light care model supports scalable expansion across multiple channels

Mom's Belief operates a broader developmental care model than a conventional therapy centre network. Its services combine physical intervention centres, partnerships with licensed professionals, school collaborations, digital therapy, parent-support programmes and home-based learning solutions. Each child receives a personalised intervention plan supported by a multidisciplinary team across psychology, occupational therapy, speech and language therapy, special education and behavioural intervention. A key differentiator is the company's focus on involving parents directly in the intervention process. The company supports families through structured guidance and home-based programmes backed by over 2,000 learning and play-based tools, allowing intervention to continue outside formal therapy sessions. This expands the company's engagement with families beyond centre-based services and creates multiple channels through which it can deliver its offerings. Its use of structured and evidence-based intervention methodologies, along with investments in clinical research and technology-enabled goal planning, should also support greater standardisation as the network expands. The business model is relatively asset-light, with centres primarily operating from leased premises and a significant portion of the network established through partnerships with licensed professionals and schools. This reduces the upfront capital required to enter new locations compared with conventional healthcare infrastructure and has enabled the company to expand its network rapidly. The improvement in RoCE from 4.6% in FY24 to 29.7% in FY26 reflects the increasing capital efficiency of the model as the business scales. The company has also added an international growth avenue through the acquisition of Mom's Belief US Inc. and Allergy & Immunology Virginia, LLC, providing access to three established clinics in Virginia. Management intends to introduce behavioural therapy and specialised NDD intervention services through this infrastructure, leveraging the existing clinical setup and patient base. Along with domestic centre expansion, digital services, home-based programmes and investments in research and technology, this gives Mom's Belief multiple avenues to expand its specialised developmental care platform.

Valuation

Rays of Belief Limited, operating under the Mom’s Belief brand, is a specialised intervention platform for children with Neurodevelopmental Disorders (NDDs), with a growing network of centres, digital services and home-based intervention offerings. The company has established itself as India's largest clinical network in the NDD intervention segment, providing investors exposure to a niche, underpenetrated market with significant scope for organised players. Revenue from operations increased from Rs. 306.1 million in FY24 to Rs. 816.6 million in FY26, translating into a 63.3% CAGR over FY24-26. Importantly, the underlying India business continues to grow organically, with standalone revenue increasing 30.6% YoY in FY26, while operating leverage is becoming visible as the centre network matures, with EBITDA margin expanding from 4.9% in FY24 to 14.6% in FY26 and RoCE improving to 29.7%. A key driver of future growth is the continued expansion and maturation of its centre network. New centres typically take 8-12 months to achieve operating breakeven, following which revenue and profitability improve meaningfully. The company plans to add 190 Company Learning Centres/Early Intervention Centres and 121 School Collaboration Centres by FY29, providing a substantial runway for growth in an asset-light and capital-efficient manner. The US opportunity remains another key growth lever, with the acquisition of three Virginia clinics contributing Rs. 340.9 million, or 42% of consolidated FY26 revenue. These clinics provide an established patient base through which Mom's Belief can potentially introduce its specialised behavioural therapy and NDD intervention services, creating a significant opportunity to scale its model in a higher-value healthcare market. However, investors should monitor the company's cash conversion closely. CFO was negative at Rs. 19.4 million in FY26 due to a sharp increase in receivables, with Rs. 112.9 million, or over 62% of total trade receivables, due from promoter-related entities. This remains a key concern from an earnings quality, liquidity and corporate governance perspective. **At the upper end of the price band, the company is valued at a P/E of 74.5x FY26 consolidated EPS of Rs. 3.21. While the valuation is demanding and the related-party receivables and negative CFO remain important risks, we believe the company's leadership position in a niche and underpenetrated market, scalable asset-light expansion model, significant planned centre rollout and the sizeable US growth opportunity provide a compelling long-term growth opportunity. Accordingly, we recommend a "SUBSCRIBE" rating for investors with a long-term investment horizon.**

Risks

⇒ A significant portion of revenue and receivables is linked to Carving Futures group entities, with related-party services contributing 25.6% of FY26 consolidated revenue and Rs. 112.9 million, or over 62% of total receivables, outstanding from these entities. Delayed collections have materially contributed to the negative operating cash flow of Rs. 19.4 million in FY26, making related-party dependence and cash conversion an important monitorable.

⇒ The business is highly dependent on specialised clinical professionals, while employee costs accounted for 52.5% of FY26 operating expenses. The company witnessed average monthly clinical attrition of 4.4% in FY26, with 181 clinical professionals resigning during the year, which could increase recruitment and training costs and affect service quality as the network expands.

⇒ The asset-light centre model relies largely on leased premises with relatively short lease tenures. Investments in centre fit-outs and specialised infrastructure may be difficult to recover if leases are not renewed or centres are closed, creating potential write-offs and execution risks as the company undertakes a significant network expansion.

⇒ The US business, which contributed 41.7% of FY26 consolidated revenue, exposes the company to additional regulatory, compliance and integration risks.

Rays of Belief Ltd.

Income Statement (Rs. in million)

Particular	FY24	FY25	FY26
Revenue			
Revenue from operations	306	364	817
Total revenue	**306**	**364**	**817**
Expenses			
Employee benefit expenses	160	211	394
Other expenses	132	123	303
Total operating expenses	**291**	**334**	**698**
EBITDA	**15**	**30**	**119**
Depreciation & amortization expenses	14	22	43
EBIT	**1**	**8**	**76**
Other Income	1	1	4
Finance costs	1	6	11
PBT	**1**	**3**	**69**
Tax Expense			
Current Tax	-	-	12
Deferred Tax	(8)	(55)	8
Total Tax Expense	**(8)**	**(55)**	**19**
Profit for the Year (PAT)	**9**	**59**	**50**
Other Comprehensive Income (Net of tax)	(0)	(0)	7
Total Comprehensive Profit	**8**	**58**	**56**
Diluted EPS (in Rs.)	**0.6**	**3.8**	**3.2**

Source: RHP, BP Equities Research

Cash Flow Statement (Rs. in million)

Particulars	FY24	FY25	FY26
Cash Flow from operating activities	21	-18	-19
Cash flow from/(used in) investing activities	-27	-20	-62
Net cash flows (used in) / from financing activities	10	49	60
Net increase/(decrease) in cash and cash equivalents	**4**	**10**	**-21**
Cash and cash equivalents at the beginning of the period	**39**	**43**	**53**
Cash and cash equivalents at the end of the period	**43**	**53**	**33**

Source: RHP, BP Equities Research

Rays of Belief Ltd.

Balance Sheet (Rs. in million)

Particulars	FY24	FY25	FY26
Assets			
Non Current Assets			
Property, Plant and Equipment	13	20	18
Capital Work in Progress	4	3	-
Intangible Assets	2	1	1
Goodwill	-	-	50
Right-of-use assets	21	21	54
Financial Assets	10	13	4
Deferred Tax Assets (Net)	8	63	55
Total Non-Current Assets	**57**	**121**	**181**
Current Assets			
Trade Receivables	2	31	181
Cash and Cash Equivalents	43	53	33
Bank balances other than cash and cash equivalents	3	4	30
Other Financial Assets	4	22	47
Other Current Assets	19	30	37
Total Current Assets	**72**	**140**	**328**
Total Assets	**129**	**261**	**509**
Equity and Liabilities			
Equity			
Equity Share Capital	3	3	156
Other Equity	55	147	152
Total Equity	**58**	**150**	**308**
Liabilities			
Non-Current Liabilities			
Borrowings	-	36	27
Lease Liabilities	15	12	26
Other Financial liabilities	16	2	1
Provisions	4	6	10
Deferred Tax Liabilities (Net)	-	-	0
Total Non-Current Liabilities	**34**	**56**	**65**
Current Liabilities			
Financial Liabilities			
Borrowings	-	8	9
Lease Liabilities	7	10	31
Trade Payables Due to:	5	7	37
Other Financial Liabilities	14	23	29
Income tax provision (net)			12
Other Current Liabilities	11	6	15
Provisions	1	2	3
Total Current Liabilities	**37**	**56**	**136**
Total Equity & Liabilities	**129**	**261**	**509**

Source: RHP, BP Equities Research

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Disclaimer Appendix

Analyst (s) holding in the Stock : Nil

Analyst (s) Certification:

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