

November 10, 2023

Q2FY24 Result Update

Change in Estimates | Target | Reco

Change in Estimates

| | Current | | Previous | |
|---------------|----------|----------|----------|----------|
| | FY24E | FY25E | FY24E | FY25E |
| Rating | BUY | | BUY | |
| Target Price | 6,000 | | 5,800 | |
| Sales (Rs.m) | 1,93,768 | 2,23,879 | 1,93,768 | 2,26,507 |
| % Chng. | 0.0 | (1.2) | | |
| EBITDA (Rs.m) | 24,694 | 33,083 | 25,194 | 33,569 |
| % Chng. | (2.0) | (1.4) | | |
| EPS (Rs.) | 63.8 | 107.4 | 67.0 | 109.7 |
| % Chng. | (4.7) | (2.1) | | |

Key Financials - Consolidated

| Y/e Mar | FY23 | FY24E | FY25E | FY26E |
|----------------|----------|----------|----------|----------|
| Sales (Rs. m) | 1,66,125 | 1,93,768 | 2,23,879 | 2,58,685 |
| EBITDA (Rs. m) | 20,496 | 24,694 | 33,083 | 40,887 |
| Margin (%) | 12.3 | 12.7 | 14.8 | 15.8 |
| PAT (Rs. m) | 8,191 | 9,176 | 15,440 | 20,443 |
| EPS (Rs.) | 57.0 | 63.8 | 107.4 | 142.2 |
| Gr. (%) | 7.6 | 12.0 | 68.3 | 32.4 |
| DPS (Rs.) | 10.3 | 17.1 | 19.4 | 21.7 |
| Yield (%) | 0.2 | 0.3 | 0.4 | 0.4 |
| RoE (%) | 13.9 | 14.1 | 20.7 | 23.0 |
| RoCE (%) | 16.7 | 19.6 | 26.4 | 30.3 |
| EV/Sales (x) | 4.7 | 4.0 | 3.5 | 3.0 |
| EV/EBITDA (x) | 37.8 | 31.5 | 23.4 | 18.8 |
| PE (x) | 92.7 | 82.7 | 49.2 | 37.1 |
| P/BV (x) | 12.2 | 11.1 | 9.4 | 7.8 |

Key Data

APLH.BO | APHS IN

| | |
|---------------------|---------------------|
| 52-W High / Low | Rs.5,364 / Rs.4,078 |
| Sensex / Nifty | 64,905 / 19,425 |
| Market Cap | Rs.759bn/ \$ 9,106m |
| Shares Outstanding | 144m |
| 3M Avg. Daily Value | Rs.2243.62m |

Shareholding Pattern (%)

| | |
|-------------------------|-------|
| Promoter's | 29.33 |
| Foreign | 46.15 |
| Domestic Institution | 17.71 |
| Public & Others | 6.81 |
| Promoter Pledge (Rs bn) | 36.29 |

Stock Performance (%)

| | 1M | 6M | 12M |
|----------|-----|------|------|
| Absolute | 4.2 | 14.7 | 23.2 |
| Relative | 6.1 | 9.5 | 15.0 |

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Strong show in hospital segment

Quick Pointers:

- Guided to add 2300 census beds with capex plan of Rs. 34bn in 3 years
- Occupancy of 72% and 200 bps margin increase in hospital segment by FY25

Apollo hospitals enterprise's (APHS) reported consolidated EBITDA of Rs 6.3bn (up 23% QoQ); 6% above our estimates. Adjusted for 24x7 losses and ESOP cost (~Rs2bn), EBITDA was at Rs 8.3bn, up 11% YoY. We believe APHS has created a solid growth platform across segments and digital foraying has further made it a strong Omni channel play. The company also has good presence in offline format, making it more of a formidable player than just pure play online company. Though stake sale in Apollo HealthCo has been delayed, scale-up in business is on track. Our FY24E and FY25E EBITDA ex 24x7 broadly remain unchanged. Overall we estimate 15% EBITDA CAGR over FY23-26E (ex 24x7). Maintain 'BUY' rating with revised TP of Rs. 6,000/share (earlier Rs5,800/share) as we roll forward. We ascribe 23x EV/EBITDA multiple to hospital segment, 25x to offline pharmacy and 20x to AHLL, assign zero value to the 24/7 business.

- EBITDA beat by 6% aided by hospitals; marginal drop in 24*7 operation cost:** Consolidated EBITDA at Rs6.3bn was 6% above our estimate. 24x7 digital app expenses were at Rs1.6bn (Rs1.7bn in Q1) and additional Rs351mn of ESOP related non-cash expenses in Q2. Pharmacy OPM adjusted for 24x7 app exps declined 30 bps YoY at 7.6%. Overall hospital EBITDA including proton was up 11% YoY & 17% QoQ and OPM decline ~30bps YoY to 24.9%; due to higher investment in clinical talents and marketing expenses. AHLL reported EBITDA of Rs318mn (up 37% QoQ) with 9% OPM. The YoY EBITDA was subdued at 16% on account of ongoing network expansions as well as relocation of two spectra units.
- Higher occupancy due to seasonality; healthy ARPOB:** Overall occupancy stood at 68% vs 62% in Q1. ARPOB growth was flat QoQ and improved 14% YoY to Rs.57.4K. Overall hospital revenues grew by 13% YoY. International biz attributes 7.5% of the total revenues. Net debt was flat QoQ to Rs 15.2bn.
- Key con-call takeaways: (1) Hospitals** – Mgmt cited acquisition of ~100 new doctors across cities with 5% total revenues spent on advertisement and marketing which should result in higher occupancy, going forward. This should also aid margin expansion in existing hospitals by 200 bps by FY25 end. **(2) Bed Expansion** – Total bed addition of 2300 census beds over 3 years at capex plan of Rs34bn across 8 cities. Mgmt plans to operationalize 250 beds hospital in Pune (expandable to 425 beds) with a capex of Rs. 6.8bn in Q1FY25; similarly 225 beds in Kolkata in Q4FY25. **(3) Double digit ARPOB** growth was on account of reconfiguring general ward beds into semi-private and private section in certain locations. **(4) Apollo 24x7** - GMV increased 17% QoQ and came in at Rs7.3bn and revenues increased 13% QoQ. During Q1, GMV to revenue conversion was 32% and guided to improve to 40% on sustainable basis in 2 years. The reduction in 24x7 losses QoQ was aided by reduction in digital expenses. Reiterates EBITDA break- even at HealthCo by end of Q4FY24. **(5) Offline pharmacy** – Net addition of 132 stores (98 stores in Q2) in H1FY24. Reiterates for Rs100bn of revenues with 6% OPM in FY24. **(6) Payor mix** - Self pay and insurance contributes 38% and 43% respectively.

Exhibit 1: Q2FY24 Result Overview (Rs mn) –EBITDA beat by 6%

| Y/e March | 2QFY24 | 2QFY23 | YoY gr. (%) | 1QFY24 | QoQ gr. (%) | 1HFY24 | 1HFY23 | YoY gr. (%) |
|---------------------------------|---------------|---------------|-------------|---------------|-------------|---------------|---------------|---------------|
| Net Sales | 48,469 | 42,511 | 14.0 | 44,178 | 9.7 | 92,647 | 80,467 | 15.1 |
| COGS | 24,585 | 21,719 | 13.2 | 22,682 | 8.4 | 47,267 | 41,240 | 14.6 |
| <i>% of Net Sales</i> | <i>50.7</i> | <i>51.1</i> | | <i>51.3</i> | | <i>51.0</i> | <i>51.3</i> | |
| Employee Expenses | 6,441 | 5,408 | 19.1 | 5,918 | 8.8 | 12,359 | 9,883 | 25.1 |
| <i>% of Net Sales</i> | <i>13.3</i> | <i>12.7</i> | | <i>13.4</i> | | <i>13.3</i> | <i>12.3</i> | |
| Other Expenses | 11,168 | 9,730 | 14.8 | 10,488 | 6.5 | 21,656 | 18,783 | 15.3 |
| <i>% of Net Sales</i> | <i>23.0</i> | <i>22.9</i> | | <i>23.7</i> | | <i>23.4</i> | <i>23.3</i> | |
| Total Expenses | 42,194 | 36,857 | 14.5 | 39,088 | 7.9 | 81,282 | 69,906 | 16.3 |
| EBITDA | 6,275 | 5,654 | 11.0 | 5,090 | 23.3 | 11,365 | 10,561 | 7.6 |
| <i>Margins (%)</i> | <i>12.9</i> | <i>13.3</i> | | <i>11.5</i> | | <i>12.3</i> | <i>13.1</i> | |
| Other Income | 222 | 226 | (1.6) | 282 | (21.3) | 504 | 386 | 30.5 |
| Interest | 1,113 | 927 | 20.1 | 1,062 | 4.8 | 2,175 | 1,854 | 17.3 |
| Depreciation | 1,634 | 1,550 | 5.4 | 1,669 | (2.1) | 3,303 | 3,028 | 9.1 |
| PBT | 3,750 | 3,402 | 10.2 | 2,641 | 42.0 | 6,391 | 6,065 | 5.4 |
| Total tax | 1,302 | 1,142 | 14.0 | 966 | 34.8 | 2,268 | 447 | 407.0 |
| <i>Tax rate (%)</i> | <i>34.7</i> | <i>33.6</i> | | <i>36.6</i> | | <i>35.5</i> | <i>7.4</i> | |
| Reported PAT | 2,448 | 2,260 | 8.3 | 1,675 | 46.1 | 4,123 | 5,618 | (26.6) |
| Share of profit from associates | 21 | (132) | (116.0) | 59 | (64.4) | 80 | (252) | (131.8) |
| Minority interest | 159 | 89 | | 68 | 133.8 | 227 | 155 | |
| Consol PAT | 2,329 | 2,040 | 14.2 | 1,666 | 39.8 | 3,976 | 5,211 | (23.7) |
| Extra-ordinary Items | 19 | - | | - | | 19 | - | |
| Adj. PAT | 2,310 | 2,040 | 13.2 | 1,666 | 38.7 | 3,995 | 5,211 | (23.3) |

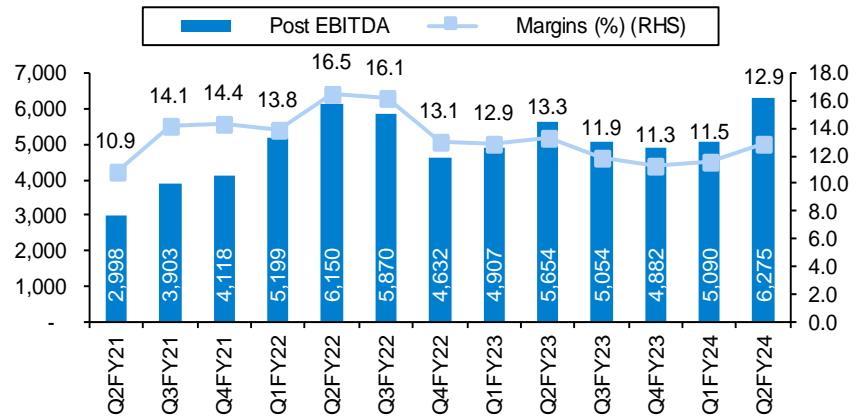
Source: Company, PL

Exhibit 2: Healthcare and offline pharmacy segment remains strong

| Revenues (Rs mn) | 2QFY24 | 2QFY23 | YoY gr. (%) | 1QFY24 | QoQ gr. (%) | 1HFY24 | 1HFY23 | YoY gr. (%) |
|-----------------------|---------------|---------------|-------------|---------------|-------------|---------------|---------------|-------------|
| Mature Hospitals | 25,472 | 22,645 | 12.5 | 22,937 | 11.1 | 48,409 | 42,879 | 12.9 |
| <i>% of Net Sales</i> | <i>52.6</i> | <i>53.3</i> | | <i>51.9</i> | | <i>52.3</i> | <i>53.3</i> | |
| SAP | 19,454 | 16,683 | 16.6 | 18,054 | 7.8 | 37,508 | 31,475 | 19.2 |
| <i>% of Net Sales</i> | <i>40.1</i> | <i>39.2</i> | | <i>40.9</i> | | <i>40.5</i> | <i>39.1</i> | |
| AHLL | 3,542 | 3,183 | 11.3 | 3,187 | 11.1 | 6,729 | 6,113 | 10.1 |
| <i>% of Net Sales</i> | <i>7.3</i> | <i>7.5</i> | | <i>7.2</i> | | <i>7.3</i> | <i>7.6</i> | |
| Total Sales | 48,468 | 42,511 | 14.0 | 44,178 | 9.7 | 92,646 | 80,467 | 15.1 |

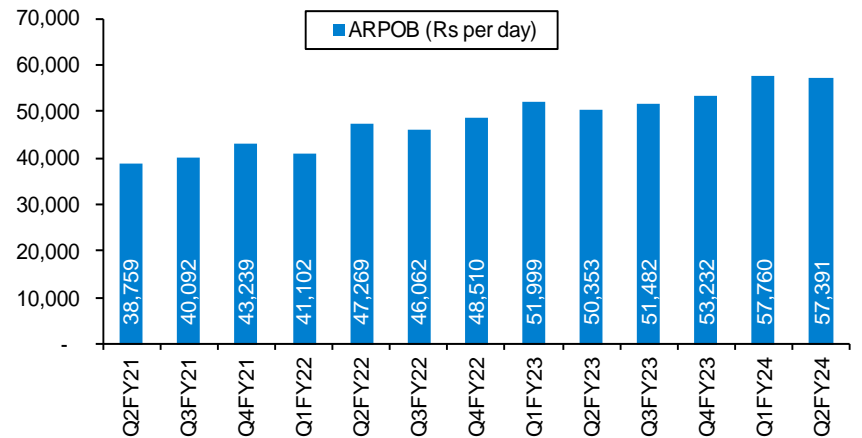
Source: Company, PL

Exhibit 3: Margin improved 140 bps QoQ aided by healthcare segment



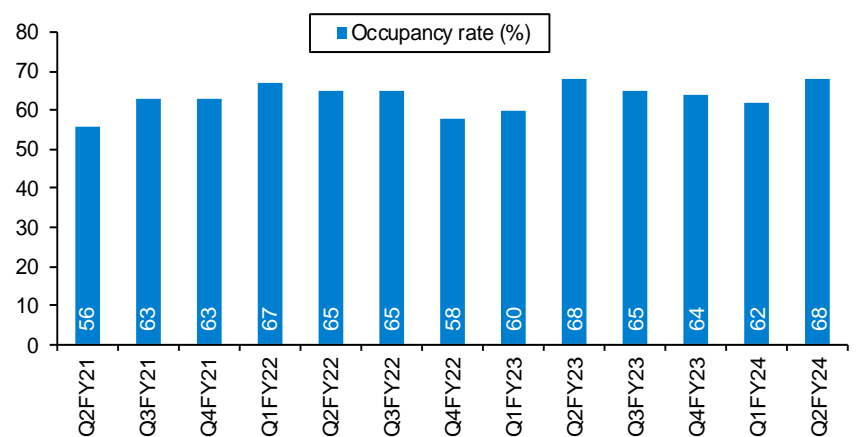
Source: Company, PL

Exhibit 4: ARPOB improved on reconfiguration of beds and case mix



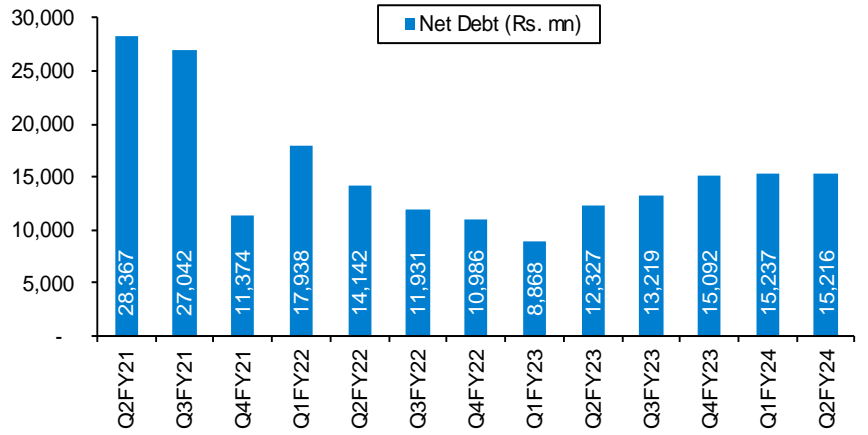
Source: Company, PL

Exhibit 5: Occupancy improved QoQ on seasonality



Source: Company, PL

Exhibit 6: Net debt decreased marginally by Rs 21mn



Source: Company, PL

Financials

Income Statement (Rs m)

| Y/e Mar | FY23 | FY24E | FY25E | FY26E |
|-------------------------------|-----------------|-----------------|-----------------|-----------------|
| Net Revenues | 1,66,125 | 1,93,768 | 2,23,879 | 2,58,685 |
| YoY gr. (%) | 13.3 | 16.6 | 15.5 | 15.5 |
| Cost of Goods Sold | 85,742 | 96,884 | 1,11,939 | 1,29,343 |
| Gross Profit | 80,382 | 96,884 | 1,11,939 | 1,29,343 |
| Margin (%) | 48.4 | 50.0 | 50.0 | 50.0 |
| Employee Cost | 21,438 | 25,082 | 29,346 | 34,335 |
| Other Expenses | 38,448 | 47,108 | 49,510 | 54,121 |
| EBITDA | 20,496 | 24,694 | 33,083 | 40,887 |
| YoY gr. (%) | (6.2) | 20.5 | 34.0 | 23.6 |
| Margin (%) | 12.3 | 12.7 | 14.8 | 15.8 |
| Depreciation and Amortization | 6,152 | 6,600 | 6,700 | 7,100 |
| EBIT | 14,344 | 18,094 | 26,383 | 33,787 |
| Margin (%) | 8.6 | 9.3 | 11.8 | 13.1 |
| Net Interest | 3,808 | 4,000 | 3,600 | 3,900 |
| Other Income | 903 | 1,100 | 1,100 | 1,500 |
| Profit Before Tax | 11,439 | 15,194 | 23,883 | 31,387 |
| Margin (%) | 6.9 | 7.8 | 10.7 | 12.1 |
| Total Tax | 2,562 | 5,318 | 7,643 | 10,044 |
| Effective tax rate (%) | 22.4 | 35.0 | 32.0 | 32.0 |
| Profit after tax | 8,877 | 9,876 | 16,240 | 21,343 |
| Minority interest | 255 | 300 | 400 | 500 |
| Share Profit from Associate | (432) | (400) | (400) | (400) |
| Adjusted PAT | 8,191 | 9,176 | 15,440 | 20,443 |
| YoY gr. (%) | (22.4) | 12.0 | 68.3 | 32.4 |
| Margin (%) | 4.9 | 4.7 | 6.9 | 7.9 |
| Extra Ord. Income / (Exp) | - | - | - | - |
| Reported PAT | 8,191 | 9,176 | 15,440 | 20,443 |
| YoY gr. (%) | 7.6 | 12.0 | 68.3 | 32.4 |
| Margin (%) | 4.9 | 4.7 | 6.9 | 7.9 |
| Other Comprehensive Income | - | - | - | - |
| Total Comprehensive Income | 8,191 | 9,176 | 15,440 | 20,443 |
| Equity Shares O/s (m) | 144 | 144 | 144 | 144 |
| EPS (Rs) | 57.0 | 63.8 | 107.4 | 142.2 |

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

| Y/e Mar | FY23 | FY24E | FY25E | FY26E |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Non-Current Assets | | | | |
| Gross Block | 1,03,328 | 1,12,328 | 1,23,328 | 1,34,328 |
| Tangibles | 1,03,328 | 1,12,328 | 1,23,328 | 1,34,328 |
| Intangibles | - | - | - | - |
| Acc: Dep / Amortization | 40,346 | 46,946 | 53,646 | 60,746 |
| Tangibles | 40,346 | 46,946 | 53,646 | 60,746 |
| Intangibles | - | - | - | - |
| Net fixed assets | 62,981 | 65,381 | 69,681 | 73,581 |
| Tangibles | 62,981 | 65,381 | 69,681 | 73,581 |
| Intangibles | - | - | - | - |
| Capital Work In Progress | 6,098 | 6,098 | 6,098 | 6,098 |
| Goodwill | 9,858 | 9,858 | 9,858 | 9,858 |
| Non-Current Investments | 2,856 | 1,501 | 1,501 | 1,501 |
| Net Deferred tax assets | (4,304) | (4,304) | (4,304) | (4,304) |
| Other Non-Current Assets | 12,317 | 12,317 | 12,317 | 12,317 |
| Current Assets | | | | |
| Investments | 2,922 | 4,277 | 4,277 | 4,277 |
| Inventories | 3,902 | 4,650 | 5,597 | 6,467 |
| Trade receivables | 22,342 | 25,190 | 29,104 | 33,629 |
| Cash & Bank Balance | 7,758 | 3,904 | 4,582 | 7,612 |
| Other Current Assets | - | - | - | - |
| Total Assets | 1,43,857 | 1,47,281 | 1,58,530 | 1,72,406 |
| Equity | | | | |
| Equity Share Capital | 719 | 719 | 719 | 719 |
| Other Equity | 61,253 | 67,613 | 79,862 | 96,738 |
| Total Networkth | 61,971 | 68,332 | 80,581 | 97,457 |
| Non-Current Liabilities | | | | |
| Long Term borrowings | 19,376 | 19,376 | 16,376 | 13,376 |
| Provisions | - | - | - | - |
| Other non current liabilities | - | - | - | - |
| Current Liabilities | | | | |
| ST Debt / Current of LT Debt | 7,727 | 7,727 | 7,727 | 7,727 |
| Trade payables | 19,157 | 21,315 | 24,627 | 28,455 |
| Other current liabilities | 27,981 | 22,886 | 21,574 | 17,745 |
| Total Equity & Liabilities | 1,43,857 | 1,47,281 | 1,58,530 | 1,72,406 |

Source: Company Data, PL Research

Cash Flow (Rs m)

| Y/e Mar | FY23 | FY24E | FY25E | FY26E |
|---------------------------------------|----------------|----------------|-----------------|-----------------|
| PBT | 8,446 | 15,194 | 23,883 | 31,387 |
| Add. Depreciation | 6,152 | 6,600 | 6,700 | 7,100 |
| Add. Interest | 3,808 | 4,000 | 3,600 | 3,900 |
| Less Financial Other Income | 903 | 1,100 | 1,100 | 1,500 |
| Add. Other | 3,684 | (700) | (800) | (900) |
| Op. profit before WC changes | 22,090 | 25,094 | 33,383 | 41,487 |
| Net Changes-WC | (4,500) | (7,815) | (4,271) | (6,947) |
| Direct tax | (3,820) | (5,318) | (7,643) | (10,044) |
| Net cash from Op. activities | 13,771 | 11,961 | 21,469 | 24,497 |
| Capital expenditures | (11,245) | (9,000) | (11,000) | (11,000) |
| Interest / Dividend Income | - | - | - | - |
| Others | 4,125 | - | - | - |
| Net Cash from Invt. activities | (7,119) | (9,000) | (11,000) | (11,000) |
| Issue of share cap. / premium | - | - | - | - |
| Debt changes | 688 | - | (3,000) | (3,000) |
| Dividend paid | (2,552) | (2,816) | (3,191) | (3,567) |
| Interest paid | (3,808) | (4,000) | (3,600) | (3,900) |
| Others | (1,993) | - | - | - |
| Net cash from Fin. activities | (7,665) | (6,816) | (9,791) | (10,467) |
| Net change in cash | (1,014) | (3,854) | 678 | 3,030 |
| Free Cash Flow | 2,526 | 2,961 | 10,469 | 13,497 |

Source: Company Data, PL Research

Quarterly Financials (Rs m)

| Y/e Mar | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 |
|-----------------------------------|---------------|---------------|---------------|---------------|
| Net Revenue | 42,636 | 43,022 | 44,178 | 48,469 |
| YoY gr. (%) | 17.2 | 21.3 | 16.4 | 14.0 |
| Raw Material Expenses | 22,161 | 22,342 | 22,682 | 24,585 |
| Gross Profit | 20,475 | 20,680 | 21,496 | 23,884 |
| Margin (%) | 48.0 | 48.1 | 48.7 | 49.3 |
| EBITDA | 5,054 | 4,882 | 5,090 | 6,275 |
| YoY gr. (%) | (13.9) | 5.4 | 3.7 | 11.0 |
| Margin (%) | 11.9 | 11.3 | 11.5 | 12.9 |
| Depreciation / Depletion | 1,534 | 1,591 | 1,669 | 1,634 |
| EBIT | 3,520 | 3,291 | 3,421 | 4,641 |
| Margin (%) | 8.3 | 7.6 | 7.7 | 9.6 |
| Net Interest | 1,000 | 954 | 1,062 | 1,113 |
| Other Income | 354 | 164 | 282 | 222 |
| Profit before Tax | 2,874 | 2,500 | 2,641 | 3,750 |
| Margin (%) | 6.7 | 5.8 | 6.0 | 7.7 |
| Total Tax | 1,035 | 1,080 | 966 | 1,302 |
| Effective tax rate (%) | 36.0 | 43.2 | 36.6 | 34.7 |
| Profit after Tax | 1,839 | 1,421 | 1,675 | 2,448 |
| Minority interest | 89 | 11 | 68 | 159 |
| Share Profit from Associates | (215) | 36 | 59 | 21 |
| Adjusted PAT | 1,535 | 1,445 | 1,666 | 2,310 |
| YoY gr. (%) | (32.8) | 60.3 | (47.5) | 13.2 |
| Margin (%) | 3.6 | 3.4 | 3.8 | 4.8 |
| Extra Ord. Income / (Exp) | - | - | - | - |
| Reported PAT | 1,535 | 1,445 | 1,666 | 2,310 |
| YoY gr. (%) | (32.8) | 60.3 | (47.5) | 13.2 |
| Margin (%) | 3.6 | 3.4 | 3.8 | 4.8 |
| Other Comprehensive Income | - | - | - | - |
| Total Comprehensive Income | 1,535 | 1,445 | 1,666 | 2,310 |
| Avg. Shares O/s (m) | - | - | - | - |
| EPS (Rs) | 10.7 | 10.1 | 11.6 | 16.2 |

Source: Company Data, PL Research

Key Financial Metrics

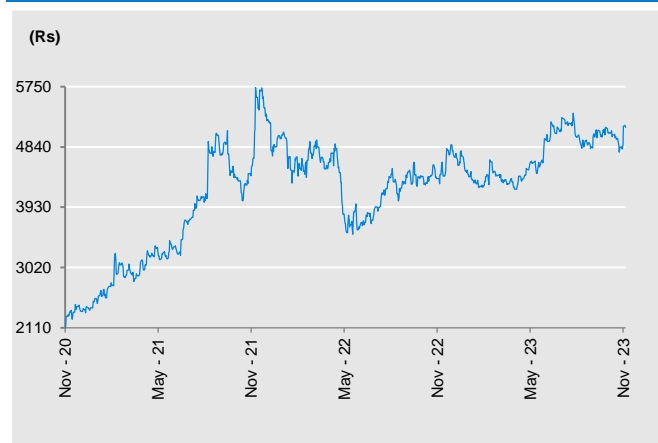
| Y/e Mar | FY23 | FY24E | FY25E | FY26E |
|----------------------------|-------|-------|-------|-------|
| Per Share(Rs) | | | | |
| EPS | 57.0 | 63.8 | 107.4 | 142.2 |
| CEPS | 99.8 | 109.7 | 154.0 | 191.6 |
| BVPS | 431.0 | 475.3 | 560.4 | 677.8 |
| FCF | 17.6 | 20.6 | 72.8 | 93.9 |
| DPS | 10.3 | 17.1 | 19.4 | 21.7 |
| Return Ratio(%) | | | | |
| RoCE | 16.7 | 19.6 | 26.4 | 30.3 |
| ROIC | 10.8 | 13.0 | 17.6 | 21.0 |
| RoE | 13.9 | 14.1 | 20.7 | 23.0 |
| Balance Sheet | | | | |
| Net Debt : Equity (x) | 0.3 | 0.3 | 0.2 | 0.1 |
| Net Working Capital (Days) | 16 | 16 | 16 | 16 |
| Valuation(x) | | | | |
| PER | 92.7 | 82.7 | 49.2 | 37.1 |
| P/B | 12.2 | 11.1 | 9.4 | 7.8 |
| P/CEPS | 52.9 | 48.1 | 34.3 | 27.6 |
| EV/EBITDA | 37.8 | 31.5 | 23.4 | 18.8 |
| EV/Sales | 4.7 | 4.0 | 3.5 | 3.0 |
| Dividend Yield (%) | 0.2 | 0.3 | 0.4 | 0.4 |

Source: Company Data, PL Research

Key Operating Metrics

| Y/e Mar | FY23 | FY24E | FY25E | FY26E |
|---------------------|--------|--------|----------|----------|
| Pharmacy | 66,919 | 80,149 | 94,442 | 1,11,672 |
| AHLL | 12,311 | 14,281 | 16,423 | 18,394 |
| Healthcare services | 86,768 | 99,338 | 1,13,014 | 1,28,619 |

Source: Company Data, PL Research

Price Chart
Recommendation History


| No. | Date | Rating | TP (Rs.) | Share Price (Rs.) |
|-----|-----------|--------|----------|-------------------|
| 1 | 07-Oct-23 | BUY | 5,800 | 5,060 |
| 2 | 12-Aug-23 | BUY | 5,800 | 4,906 |
| 3 | 06-Jul-23 | BUY | 5,300 | 5,283 |
| 4 | 01-Jun-23 | BUY | 5,300 | 4,622 |
| 5 | 06-Apr-23 | BUY | 5,400 | 4,201 |
| 6 | 16-Feb-23 | BUY | 5,400 | 4,488 |
| 7 | 06-Jan-23 | BUY | 5,400 | 4,387 |
| 8 | 14-Nov-22 | BUY | 5,400 | 4,421 |

Analyst Coverage Universe

| Sr. No. | Company Name | Rating | TP (Rs) | Share Price (Rs) |
|---------|---------------------------------------|------------|---------|------------------|
| 1 | Apollo Hospitals Enterprise | BUY | 5,800 | 5,060 |
| 2 | Aster DM Healthcare | BUY | 345 | 327 |
| 3 | Aurobindo Pharma | Accumulate | 900 | 901 |
| 4 | Cipla | BUY | 1,350 | 1,174 |
| 5 | Divi's Laboratories | Reduce | 3,150 | 3,522 |
| 6 | Dr. Reddy's Laboratories | Reduce | 5,300 | 5,397 |
| 7 | Eris Lifesciences | BUY | 1,050 | 912 |
| 8 | Fortis Healthcare | BUY | 365 | 328 |
| 9 | Glenmark Pharmaceuticals | Reduce | 570 | 794 |
| 10 | HealthCare Global Enterprises | BUY | 385 | 361 |
| 11 | Indoco Remedies | BUY | 385 | 350 |
| 12 | Ipca Laboratories | Hold | 880 | 934 |
| 13 | J.B. Chemicals & Pharmaceuticals | BUY | 1,675 | 1,462 |
| 14 | Krishna Institute of Medical Sciences | BUY | 2,000 | 1,870 |
| 15 | Lupin | Hold | 1,010 | 1,155 |
| 16 | Max Healthcare Institute | BUY | 675 | 601 |
| 17 | Narayana Hrudayalaya | BUY | 1,110 | 1,092 |
| 18 | Sun Pharmaceutical Industries | BUY | 1,280 | 1,116 |
| 19 | Sunteck Realty | BUY | 565 | 436 |
| 20 | Torrent Pharmaceuticals | BUY | 2,250 | 1,877 |
| 21 | Zydus Lifesciences | Accumulate | 670 | 599 |

PL's Recommendation Nomenclature (Absolute Performance)

| | |
|--------------------------|-----------------------------------|
| Buy | : > 15% |
| Accumulate | : 5% to 15% |
| Hold | : +5% to -5% |
| Reduce | : -5% to -15% |
| Sell | : < -15% |
| Not Rated (NR) | : No specific call on the stock |
| Under Review (UR) | : Rating likely to change shortly |



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