

BSE SENSEX
71,848

S&P CNX
21,659

CMP: INR990

TP: INR1,170 (+18%)

Buy



Stock Info

Bloomberg	MEDANTA IN
Equity Shares (m)	269
M.Cap.(INRb)/(USDb)	265.8 / 3.2
52-Week Range (INR)	1028 / 426
1, 6, 12 Rel. Per (%)	-4/34/97
12M Avg Val (INR M)	311
Free float (%)	66.9

Financials & Valuations (INR b)

Y/E MARCH	FY23	FY24E	FY25E
Sales	26.9	33.0	38.1
EBITDA	6.2	8.2	9.3
Adj. PAT	3.3	4.8	5.8
EBIT Margin (%)	17.2	19.6	19.8
Cons. Adj. EPS (INR)	12.1	18.0	21.7
EPS Gr. (%)	63.4	48.3	20.7
BV/Sh. (INR)	90.4	105.3	123.2

Ratios

Net D:E	0.1	0.0	(0.0)
RoE (%)	16.1	18.4	19.0
RoCE (%)	12.2	14.8	16.5
Payout (%)	-	17.6	17.6

Valuations

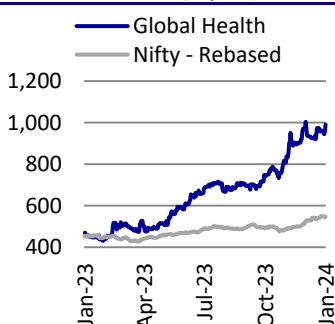
P/E (x)	81.5	55.0	45.5
EV/EBITDA (x)	43.5	32.6	28.4
EV/Sales (x)	10.0	8.1	7.0
Div. Yield (%)	-	0.3	0.3
FCF Yield (%)	1.5	1.1	0.7
EV/Sales (x)	10.0	8.1	7.0

Shareholding pattern (%)

As On	Sep-23	Jun-23
Promoter	33.1	33.1
DII	10.9	10.8
FII	10.7	10.6
Others	45.3	45.6

FII Includes depository receipts

Stock Performance (1-year)



On robust runway for sustainable growth

- Over the past four years, MEDANTA has delivered a stupendous performance (3x earnings), witnessing a 35% EBITDA CAGR. Moreover, it turned net cash in FY23 from a net debt of INR3b in FY19. Since listing in 3QFY23, the stock has more than doubled today.
- Interestingly, over FY23-26E, the outlook remains strong, on the back of a healthy pipeline of beds being added to the existing facilities (552 beds) and the upcoming ones in Noida, Indore, and South Delhi (1,000 beds on a combined basis).
- Additionally, ARPOB is expected to witness a 6% CAGR due to the improving case mix/payor mix. Moreover, we expect ARPOB of mature/developing facilities to reach INR70k/INR67k at 5%/6% CAGR, respectively, over FY23-26.
- We expect 28% earnings CAGR over FY23-26, factoring a) faster scale-up of existing hospitals, b) additional business from new hospitals and c) better operating leverage. Accordingly, we value MEDANTA at 26x 12-month forward EV/EBITDA to arrive at our TP of INR1,170. We reiterate our BUY rating on the stock.

Future growth to be fueled by aggressive bed expansion

- At the end of 1HFY24, MEDANTA had a bed capacity of 2,725. MEDANTA is focusing on growing its capacity to more than 3,500 beds over the next two to three years.
- MEDANTA is focusing on increasing this capacity at North and Central India, as it intends to deepen its presence in these markets.
- MEDANTA plans to add a) 100 beds at Gurugram, b) 300-350 beds at Lucknow, c) 150-300 beds at Patna, and 300-550 beds at Noida over FY23-25.
- Additionally, MEDANTA, in JV with DLF, has planned to set up a 400-bed facility in South Delhi. It is expected to commence operations in the next four to five years.
- This provides a robust runway for growth over the next three to four years.

Noida facility to boost dominance in NCR for MEDANTA

- MEDANTA's Noida facility, currently under construction, is expected to commence operations from end-FY25.
- It is likely to have an installed capacity of 300 beds in Phase-1, rising to 500 beds under Phase-2.
- The hospital is strategically located to cater to the West-UP patient community. Its close proximity to the Metro station significantly enhances accessibility to the hospital.

Expanding presence throughout the NCR area to spur long-term growth

- Additionally, MEDANTA, in JV with DLF, is setting up a 400-bed hospital.
- This will come in the Greater Kailash area of South Delhi. This facility is likely to boost the presence of MEDANTA in Delhi-NCR.
- The super-specialty hospital will offer medical and surgical interventions across more than 20 specialties, including the establishment of a comprehensive cancer health unit.

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- Post the commercialization of the facility, the bed count would increase to 2,400 in the NCR region.

Madhya Pradesh – Increased focus on Healthcare infrastructure; MEDANTA – upping its presence in Indore

- The NSDP per capita of MP has witnessed a decent 12% CAGR over FY14-23.
- Given the state's emphasis on enhancing healthcare services and the steady increase in insurance coverage, the healthcare infrastructure is expected to strengthen over the coming years.
- Indore is expected to become a medical hub of MP with considerable investment by private companies, including Apollo, MEDANTA, Jupiter, and Care.
- In fact, MEDANTA already has a foothold in Indore with a 175-bed capacity.
- MEDANTA has further plans to build a 300-bed hospital (O&M project), which is expected to start in FY27.

Lucknow and Patna facilities – In full swing

- The developing hospital (Lucknow/Patna) has achieved a revenue of INR7.4b/INR5b, exhibiting 83% YoY/47% YoY growth, in FY23/1HFY24.
- In 1HFY24, developing hospital revenue share stood at 30%, while EBITDA share stood at 37%.
- Going forward, to cater to the rising demand, MEDANTA plans to increase bed capacity by nearly 60% in the Lucknow facility to 950 in FY25 from 601 in 1HFY24. Additionally, MEDANTA plans to double the bed capacity in the Patna facility to 650 by FY25 from 358 in 1HFY24.
- Overall, we expect developing hospitals to deliver 21% revenue CAGR over FY24-26 to INR16b.

Valuation and view

- We expect 28% earnings CAGR over FY23-26, factoring faster scale-up of newer hospitals and better visibility to add new sites (Noida/South Delhi/Indore) factoring in a) faster utilization of beds in developing hospitals, b) better operational efficiency across mature as well as developing hospitals, and c) the advantage of introducing new indications at the Gurugram facility.
- We value MEDANTA at 26x 12-month forward EV/EBITDA to arrive at our TP of INR1,170.
- Interestingly, MEDANTA is on path to achieve our expected FY25 financial performance in FY24 itself. Further, it continues to pursue initiatives not only to increase bed capacity, but also augment clinical resources (added 160/500 doctors/nurses over the past one year). This approach aims to meet the growing demand across various sites and incorporate new medical indications. We reiterate our BUY rating on the stock.

Key downside risks

- **Slower rate of bed additions:** Any delay in increasing the bed capacity in the Lucknow/Patna facilities may result in lower revenue for the company.
- **Lower-than-expected medical tourists' footfalls:** Any unfavorable worldwide development could result in a slower-than-anticipated increase in the number of international patients.
- **Subpar services reduce the value of brand recall:** Any unfavorable event could damage the MEDANTA brand recall.
- **Adverse effects of regulatory obstacles:** The regulations regarding the pricing cap for services and patient charges could have a negative impact.

Exhibit 1: Hospital Valuation Snapshot

Company Name	Country	CMP (INR)	M Cap (INR b)	EV (INR b)	EV/EBITDA (x)			PE (x)			ROE (%)		
					FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
APHS	IN	5,599	805	843	34	27	22	80	53	40	15	19	23
MAXHEALT	IN	663	644	633	34	28	28	47	39	39	16	16	16
MEDANTA	IN	963	259	253	31	26	23	55	46	37	18	18	18
FORH	IN	391	295	311	25	21	18	48	38	30	8	10	11
NARH	IN	1,184	242	244	22	20	16	32	30	26	31	26	25
KIMS	IN	1,998	160	171	24	20	19	43	35	34	19	19	17
RAINBOW	IN	1,126	114	119	27	23	19	50	41	33	19	20	21
YATHARTH	IN	382	33	35	20	17	13	34	28	22	17	14	15
Average					27	23	20	49	39	33	18	18	18

Source: MOSL, Bloomberg

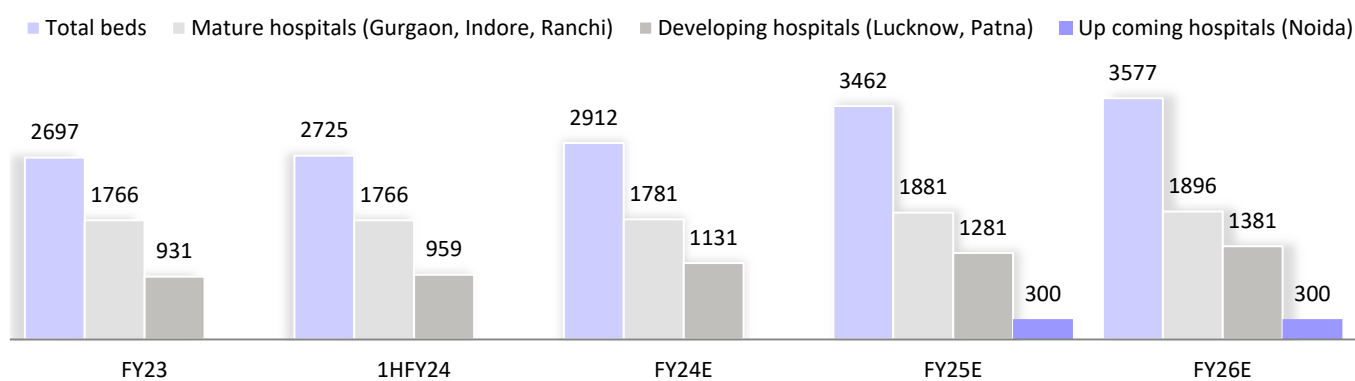
MEDANTA: Rapidly expanding bed capacity

- In 1HFY24, MEDANTA had a total bed capacity of 2,725. The mature hospitals (Gurgaon, Indore, Ranchi) contributed 65% of this capacity, while the developing hospitals in Lucknow and Patna contributed the remaining portion.
- It plans to expand the total capacity to more than 3,500 beds over the next two to three years.
- Greenfield projects are expected to add 1,000 beds, while brownfield projects are expected to add 552 beds over the next two to three years.

Major bed capacity enhancements to be in developing hospitals

- MEDANTA had 2,725 beds as at the end-1HFY24. Out of these, 1,766 beds were of mature facilities and the remaining 959 beds were in developing facilities.
- Over the next few years, MEDANTA plans to enhance the total bed capacity to more than 3,500 beds.

Exhibit 2: Total bed capacity expected to reach more than 3,500 by FY26



Source: CEIC

- Nearly 50% of the planned bed expansion is in the developing hospitals of Lucknow and Patna.
- Additionally, the upcoming hospital in Noida is scheduled to commence operations in FY25, offering a capacity of 300 beds.
- In JV with DLF, it plans to build a 400-bed hospital in South Delhi.
- Further, it has an O&M contract at Indore for 300 beds, including 100+ critical beds.

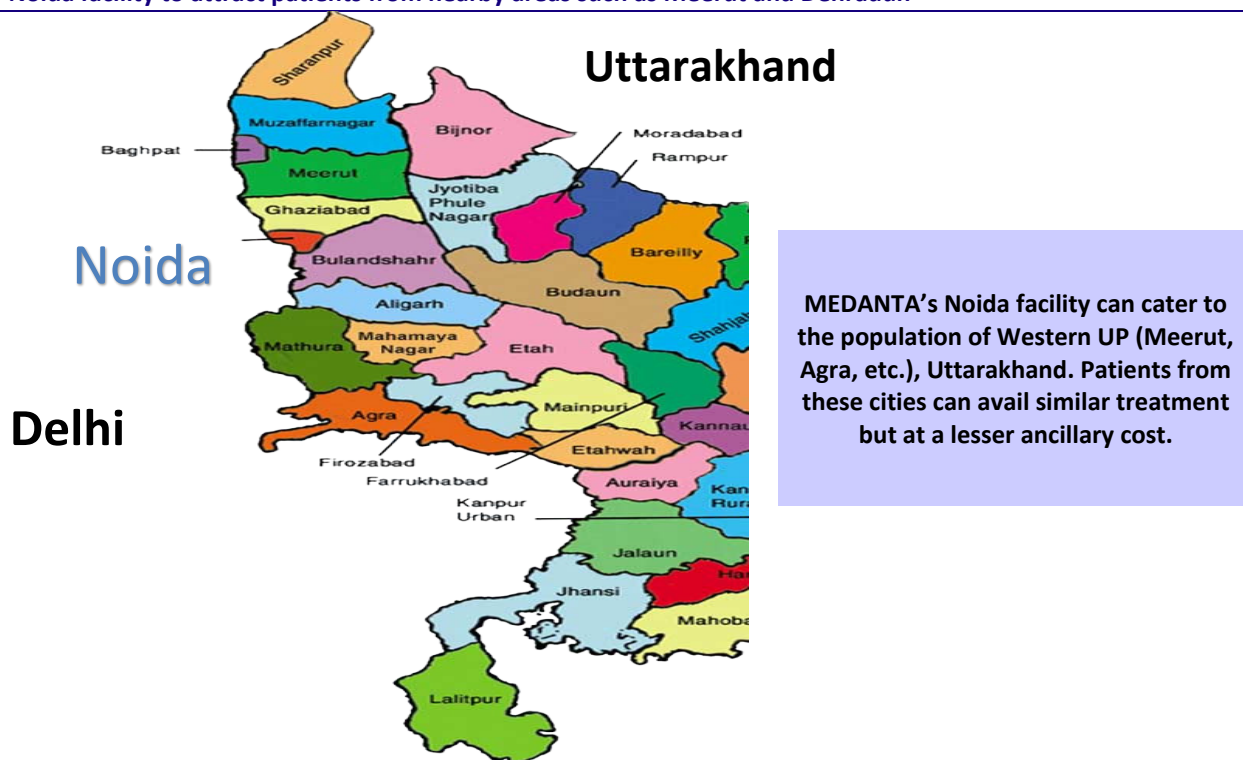
Noida facility to boost dominance in NCR for MEDANTA

- MEDANTA plans to commence a Noida facility by the end of FY25, offering a total capacity of 500 beds. Initially, the plan is to have 300 beds operational from the outset.
- This facility will give MEDANTA access to the patients coming from areas such as Dehradun and Meerut.
- Some of the prominent hospitals in Noida are Jaypee, Fortis, Apollo, and Kailash.

Noida facility to commence operations from FY25

- MEDANTA's Noida facility, currently under construction, is expected to commence operations from end-FY25. It is likely to have an installed capacity of 300 beds in Phase-1, rising to 500 beds under Phase-2.
- The Noida facility is likely to cater to the booming Delhi-NCR healthcare market and will be spread across 0.8m sq.ft. The facility will be built on existing land bank available to MEDANTA.
- There is a huge untapped market opportunity in Delhi-NCR with prominent players such as MEDANTA available to cater to.
- The Noida facility differs from the multi-tower setups in Gurugram, Lucknow, and Patna. MEDANTA intends to construct it as a single tower facility in one phase.
- It plans to operationalize only about 300 beds and then scale up over a period of time.

Exhibit 3: Noida facility to attract patients from nearby areas such as Meerut and Dehradun



Source: MOFSL

- Currently, patients travelling from nearby areas to MEDANTA's Gurugram facility or other hospitals in Delhi need to cover nearly 100km from Meerut and nearly 300km from Dehradun to Delhi.
- MEDANTA's upcoming Noida facility is likely to reduce the distance for these patients and offer similar treatment/experience as of its flagship facility in Gurugram.

Exhibit 4: Some of the prominent hospitals in Noida

Hospital	Bed capacity
Fortis Hospital Noida	200
Apollo Hospitals	700
Jaypee Hospital	1200
Yatharth Superspeciality Hospital	340
Kailash Hospital	325

Source: MOFSL

400-bed hospital JV with DLF to augment growth over long-term

- MEDANTA, in JV with DLF, plans to set up a ~400-bed super specialty hospital in South Delhi.
- MEDANTA will run the hospital and have operational control, while DLF will be a strategic investor.
- Delhi is a big market, which is rapidly growing, presenting many opportunities. MEDANTA is likely to benefit from this demand-supply gap in the South Delhi market.

MEDANTA and DLF to develop ~400 bed super-specialty hospital in Delhi

- MEDANTA plans to set up a ~400-bed super specialty hospital in South Delhi. It will strengthen MEDANTA's presence in Delhi-NCR, taking its bed count to ~2,400 over the next three to four years.
- GHL and DLF to form a new company, both will contribute equity in equal proportion (50:50).
- MEDANTA will run the hospital and have operational control; DLF will be a strategic investor.
- The super specialty hospital will provide cutting-edge medical and surgical interventions in over 20 specialties such as Cardiac sciences, Neurosciences, Orthopaedics, Kidney, and Liver transplants. The facility will also have a comprehensive cancer care unit.

Strong demand for quaternary care in South Delhi

- Delhi is rapidly growing, presenting a plethora of opportunities even beyond South Delhi and other micro geographies within Delhi.
- The demand for high-end tertiary care treatment is high in Delhi. There is a strong desire among people for access to high quality care, be it for emergency services or day-care procedures. For instance, treatments like chemotherapy or radiation oncology are seen as more convenient when delivered closer to one's vicinity, addressing the need for accessibility.
- Moreover, Gurugram primarily serves the South West Delhi market, while Noida is poised to cater extensively to the Eastern Delhi and parts of UP market.
- **Hence, residents in the South Delhi and Central Delhi areas often face challenges, particularly due to the city's traffic conditions, to gaining access to the hospital on a regular basis.**
- Consider a scenario where a patient residing in Delhi arrives for an elective GI surgical procedure but also has an existing cardiac issue or other comorbidities that necessitate ongoing monitoring. They now feel that they can receive the same seamless care that offers, closer to their home within the MEDANTA network.

Exhibit 5: New facility in South Delhi will be between the Gurugram and Noida facility



Source: MOFSL

This new site strategically situates itself between the Gurugram and Noida locations, empowering MEDANTA to create a strong network effect spanning across three sites.

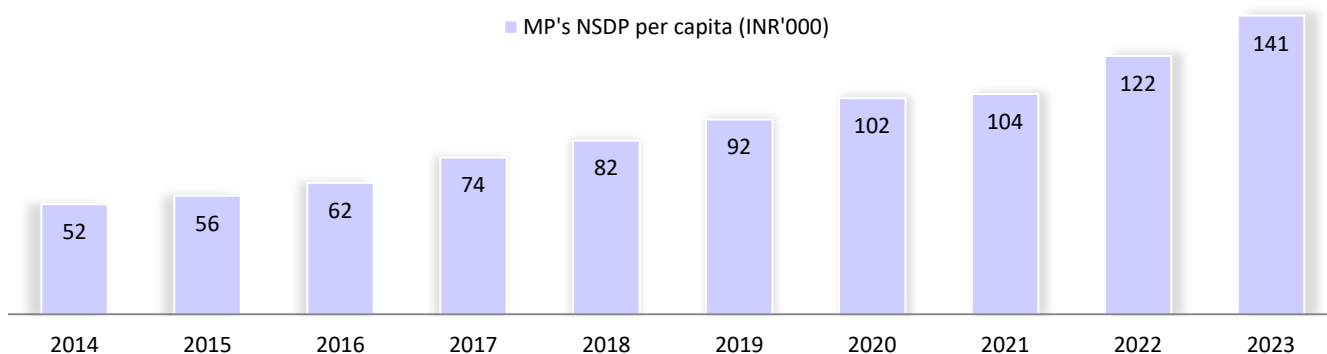
Madhya Pradesh – Increased focus on Healthcare infrastructure

- The NSDP per capita of MP has witnessed a decent 12% CAGR over FY14-23.
- Given the state’s emphasis on enhancing healthcare services and the steady increase in insurance coverage, the healthcare infrastructure is expected to strengthen over the coming years.
- Indore is expected to become a medical hub of MP with considerable investment by private companies including Apollo, MEDANTA, Jupiter, and Care.
- In fact, MEDANTA already has a foothold in Indore with a 175-bed capacity.
- MEDANTA has plans to build a 300-bed hospital facility (O&M project), which is expected to start in FY27.

NSDP on improving trend

- MP, one of the most populous states in India, has more than 85m people. Interestingly, the Net State Domestic Product (NSDP) per Capita of MP has witnessed a 12% CAGR to reach more than INR140k over FY14-23.

Exhibit 6: MP’s NSDP per capita witnessed 12% CAGR over FY14-23



Source: CEIC

Medical infrastructure yet to catch up

- Medical infra is expected to improve on the back of public as well as private investment. Having said this, only few cities such as Indore, Bhopal, and Gwalior have tertiary care facilities. Moreover, a majority of these hospitals have a capacity of 100-200 beds, which is inadequate to cater to the needs of the state population.
- The Government of Madhya Pradesh has increased its health budget by 15.7% YoY to ~INR19b in FY23. Moreover, it has budgeted an increase of 19% to take the health budget to INR163b in FY24.

Exhibit 7: MP’s NSDP per capita witnessed 12% CAGR over FY14-23

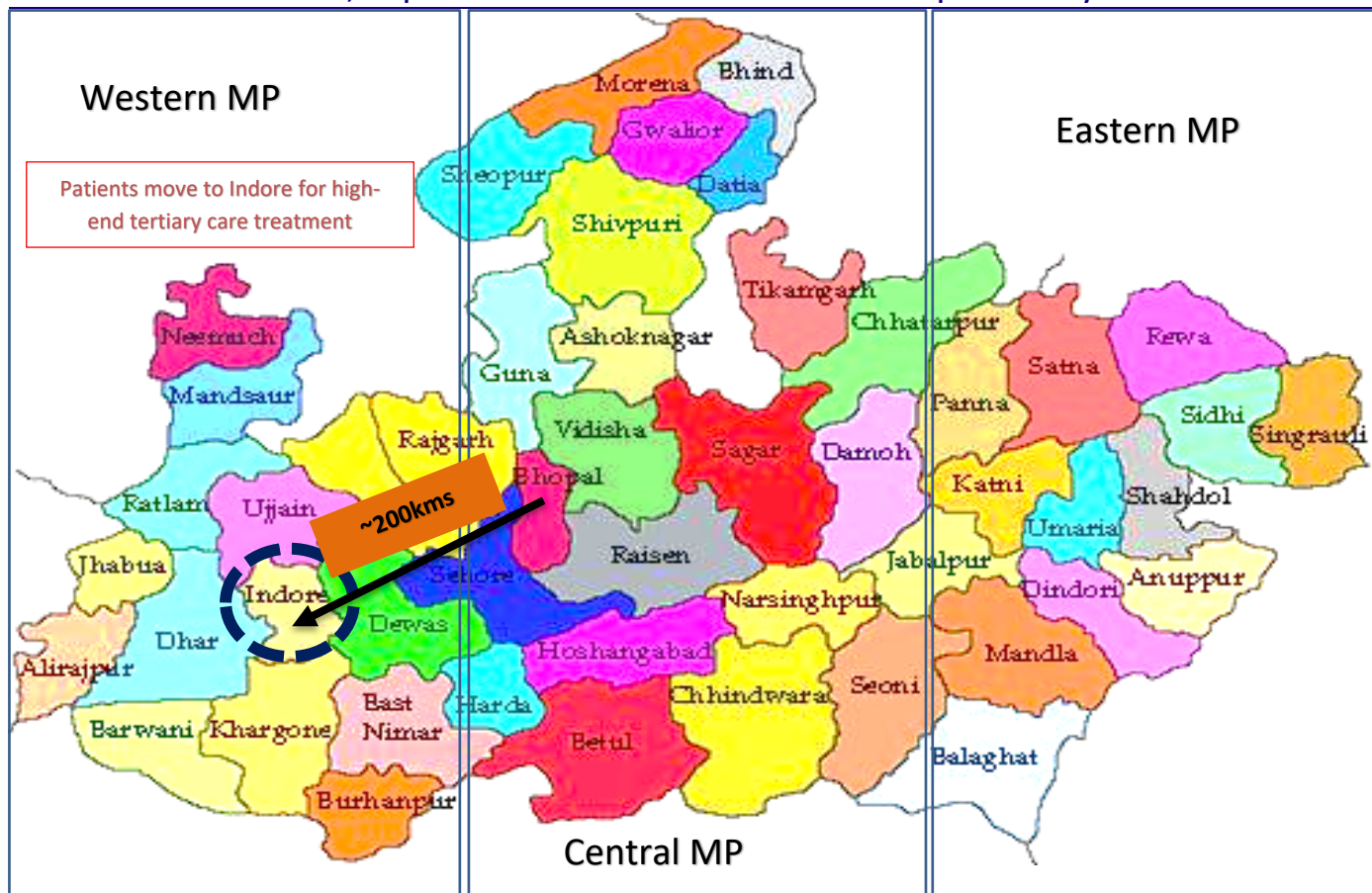
State	FY24 Health and Family Welfare Budget (INRb)	YoY growth (%)	Avg. spend on healthcare as % aggregate expenditure (2014-22)
Madhya Pradesh	163	19.1	4.4
India	892	12.6	2.0

Source: MOSL

- There are only a few national hospital chains with presence in MP. For instance, APHS is present in Bhopal with over 350 beds. Indore hosts major corporates such as APHS and MEDANTA, focusing on specialized tertiary-care treatment.

- Hence, to avail high-quality tertiary treatment, currently, people from MP need to travel to other parts of India such as Delhi and Mumbai. In addition to treatment cost, there are ancillary costs involved for travelling, accommodation, etc. For example, a patient travelling to Delhi from Bhopal needs to travel 800+kms, while a patient from Gwalior needs to travel 300km+ for better medical treatment.

Exhibit 8: Cities such as Indore, Bhopal can be the next destination in MP for the hospitals industry

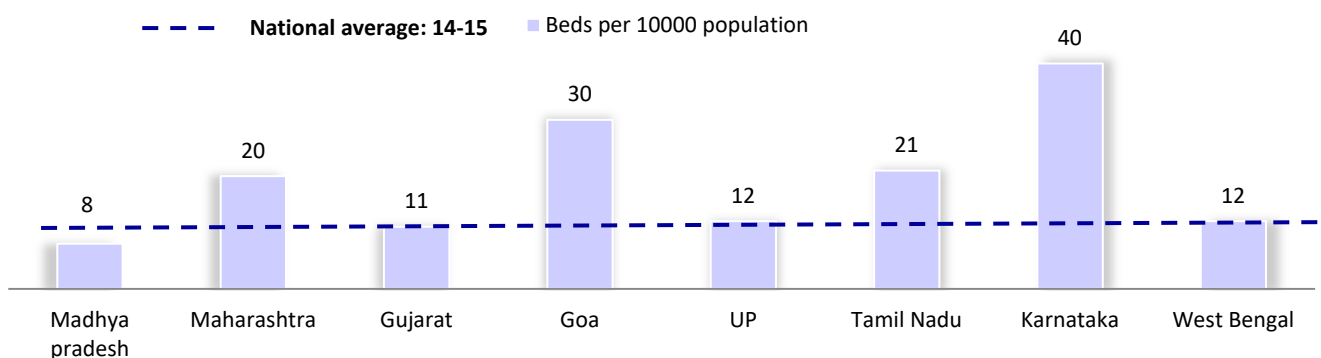


Source: MOFSL, Company

Bed density lower than national average

- Among the West India states under examination, Madhya Pradesh exhibited a bed density of 8, significantly lower than the national average of 14 to 15.

Exhibit 9: Hospitals bed density (Beds per 10,000 population of the state, FY22)



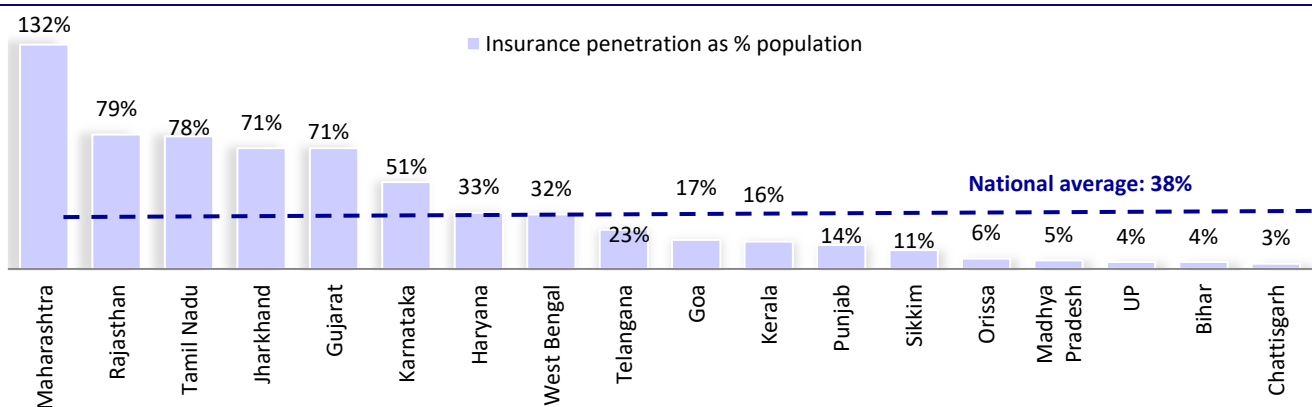
Source: MOFSL

- In recognition of the substantial cost-saving potential by establishing a tertiary hospital in MP, the **state government aspires** to transform the region into a medical education hub, fostering self-reliance. The Medical Education Department is committed to delivering high-quality medical facilities to the people of the state. Under the State Budget for FY23, the number of MBBS seats in the state will be increased to 3,250 seats from the existing 2,350. Additionally, 22 new medical colleges are slated to commence operations within the state.

Insurance coverage to increase gradually

- In FY22, penetration of health insurance coverage in Madhya Pradesh stood at just 5%, lagging much behind the country average, which stood at 38%.

Exhibit 10: State-wise penetration and number of persons covered under health insurance (select states) FY22



Source: MOFSL

- This opportunity provides various benefits – a) enhanced quality of treatment for patients, coupled with reduced cost of treatment, b) a strong business outlook that would compel additional investment in building large-format hospitals and c) an improved patient pool that would drive better profitability for existing hospitals as well.

Indore city – On the rise to become a medical hub of MP

- As of Mar'23, the estimated population of Indore stands at 3.2m, with a population density of 3,800 people per sq. km in the metro area.
- The city has a total of 220 hospitals including primary & community health centres and 12,000 hospital beds. Individuals within a 200-km radius of Indore come for treatment to that provided in metropolitan cities.
- Some of the key private hospitals in the city are Bombay Hospital, Apollo, MEDANTA, Jupiter, Care, Choithram Hospital, and Arihant Hospital and Research Centre. Among these, Bombay Hospital is the largest hospital with a capacity of ~600 beds. Additionally, Jupiter, Care, Apollo, and MEDANTA have 431, 260, 180 and 175 beds, respectively.
- There is an ample doctor-talent available due to the presence of medical institutes.
- With an increase in insurance penetration, the patients are preferring corporate hospitals over local hospitals. Moreover, insurance schemes such as Ayushman Bharat have given a boost to this trend.

- However, insured patients often encounter issues such as capping of cost, resulting in increased out-of-pocket expenses.

MEDANTA to set up a new 300-bed facility through O&M

- In addition to the 175-bed facility already present in Indore, MEDANTA plans to enhance its presence in the city.
- MEDANTA announced a new 300-bed hospital project in Indore under the asset-light O&M model.
- The site is identified at the prominent MR10 road. It is expected to have 100+ critical beds with state-of-the-art infrastructure with 15 OTs, Cath labs, a dedicated chemotherapy/endoscopy suite, and radiation therapy facilities.
- The hospital is expected to commence operations in FY27.

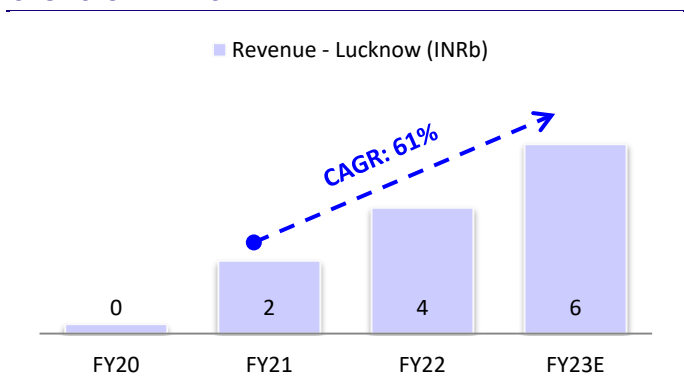
Lucknow and Patna facilities – In full swing

- Lucknow/Patna continue to be cities brimming with vast opportunities in the realm of healthcare services.
- To cater to this growing demand, MEDANTA plans to increase bed capacity at its Lucknow facility by nearly 60% to 950 beds by FY25, up from 601 in 1HFY24. Additionally, MEDANTA plans to nearly double its bed capacity in its Patna facility to 650 by FY25, up from 358 in 1HFY24.

On a strong profitable growth path

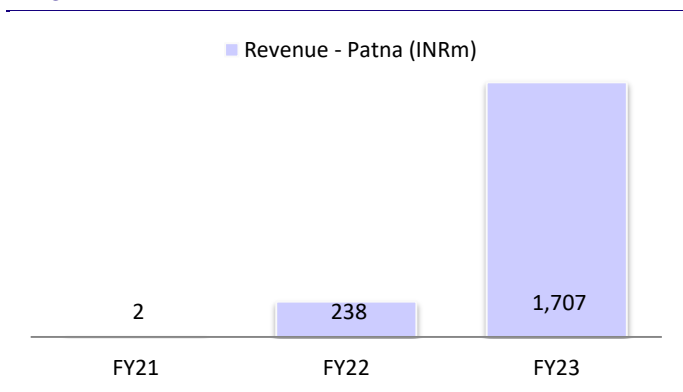
- The overall developing hospital has reached a revenue of INR7.4b/INR5b, exhibiting 83% YoY/47% YoY growth, in FY23/1HFY24.
- Particularly, the Lucknow facility’s revenue grew at 72%/51% YoY to INR4b/INR6b in FY22/FY23.

Exhibit 11: Lucknow hospital’s revenue reported a 61% CAGR over FY21-23



Source: MOFSL, Company

Exhibit 12: Patna hospital’s revenue reached INR1.7b in FY23



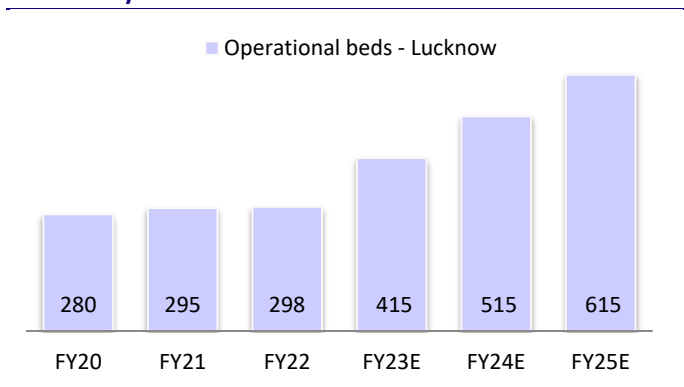
Source: MOFSL, Company

- The Patna facility, Jay Prabha MEDANTA Super Specialty Hospital, inaugurated its IPD facility in Oct’21 and commenced operations during FY22. This hospital operates under PPP model, with the Bihar government granting a 33-year lease for its establishment.

Huge bed expansion planned due to ample demand

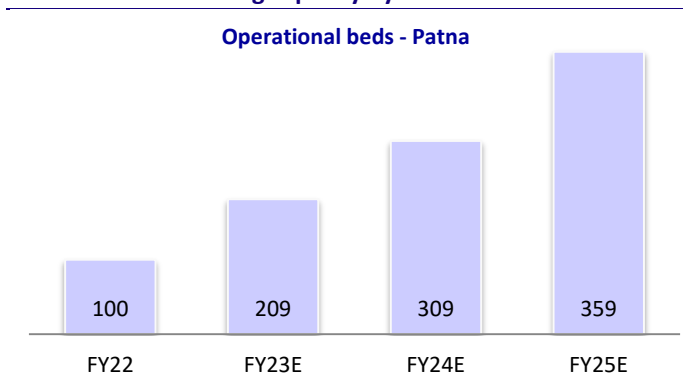
- MEDANTA has undertaken almost 50% of the planned bed expansion in developing hospitals in Lucknow and Patna.
- MEDANTA plans to double the total bed capacity in the Patna hospital to 650 in FY25 from 330 in FY23.

Exhibit 13: Operating beds at Lucknow facility expected to increase by FY25



Source: MOFSL, Company

Exhibit 14: Operating beds at Patna facility likely to grow ~72% from the existing capacity by FY25E



Source: MOFSL, Company

Financials and valuations

Income Statement

(INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Total Income from Operations	14,558	15,004	14,467	21,666	26,943	33,039	38,133	43,110
Change (%)		3.1	-3.6	49.8	24.4	22.6	15.4	13.1
EBITDA	1,857	1,977	1,977	4,539	6,197	8,194	9,343	10,864
Margin (%)	12.8	13.2	13.7	20.9	23.0	24.8	24.5	25.2
Depreciation	1,016	1,150	1,232	1,297	1,575	1,720	1,798	2,133
EBIT	841	827	745	3,242	4,622	6,474	7,544	8,731
Int. and Finance Charges	331	515	672	795	779	607	421	291
Other Income	502	438	314	392	649	796	919	1,038
PBT bef. EO Exp.	1,013	750	387	2,839	4,492	6,662	8,042	9,479
EO Items	-180	-111	-63	-33	0	0	0	0
PBT after EO Exp.	832	639	325	2,806	4,492	6,662	8,042	9,479
Total Tax	319	275	37	844	1,231	1,826	2,205	2,598
Tax Rate (%)	38.4	43.1	11.3	30.1	27.4	27.4	27.4	27.4
Minority Interest	0	0	0	0	0	0	0	0
Reported PAT	513	363	288	1,962	3,261	4,836	5,838	6,881
Adjusted PAT	693	475	351	1,995	3,261	4,836	5,838	6,881
Change (%)		-31.5	-26.1	469.0	63.4	48.3	20.7	17.9
Margin (%)	4.8	3.2	2.4	9.2	12.1	14.6	15.3	16.0

Balance Sheet

(INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Share Capital	491	493	496	506	536	536	536	536
Other equity	12,464	13,002	13,328	15,654	23,746	27,729	32,538	38,206
Net Worth	12,955	13,495	13,823	16,160	24,282	28,266	33,075	38,742
Minority Interest	0	0	0	0	0	0	0	0
Total Loans	8,075	9,289	9,314	11,089	11,220	7,470	5,470	3,470
Deferred Tax Liabilities	286	81	0	0	0	0	0	0
Other Non-Current Liabilities	333	385	426	713	468	574	662	749
Capital Employed	21,649	23,250	23,563	27,963	35,970	36,310	39,207	42,961
Gross Block	11,829	17,488	17,907	20,828	25,087	28,671	34,421	40,421
Less: Accum. Deprn.	3,230	4,198	5,239	6,381	7,956	9,676	11,474	13,607
Net Fixed Assets	8,600	13,290	12,667	14,447	17,131	18,994	22,946	26,813
Goodwill on Consolidation	3,337	3,741	3,489	3,311	3,371	3,371	3,371	3,371
Capital WIP	6,663	3,817	4,638	4,393	3,270	3,270	3,270	3,270
Total Investments	0	0	1	1	1	1	1	1
Other Non-Current Assets	811	1,029	1,124	1,186	1,593	1,953	2,255	2,549
Curr. Assets, Loans & Adv.	4,886	4,786	5,021	8,117	15,795	15,029	14,657	15,173
Inventory	233	385	398	534	604	523	483	546
Account Receivables	1,642	1,492	1,336	1,802	1,942	2,381	2,749	3,107
Cash and Bank Balance	2,665	2,501	2,893	5,118	7,672	6,516	5,790	5,859
Loans and Advances	347	408	394	663	5,577	5,609	5,636	5,662
Curr. Liability & Prov.	2,647	3,412	3,378	3,493	5,190	6,308	7,292	8,215
Account Payables	1,265	1,307	1,316	1,343	1,947	2,332	2,702	3,026
Other Current Liabilities	1,270	1,916	1,785	1,956	2,445	2,998	3,460	3,912
Provisions	112	189	277	193	798	979	1,129	1,277
Net Current Assets	2,239	1,374	1,644	4,625	10,605	8,721	7,365	6,958
Appl. of Funds	21,649	23,250	23,563	27,963	35,970	36,310	39,207	42,962

Financials and valuations

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Basic (INR)								
EPS	2.8	1.9	1.4	7.9	12.1	18.0	21.7	25.6
Cash EPS	6.8	6.5	6.3	13.0	18.0	24.4	28.4	33.6
BV/Share	51.5	53.6	54.8	64.0	90.4	105.3	123.2	144.3
DPS	0.0	0.0	0.0	0.0	0.0	2.7	3.3	3.8
Payout (%)	0.0	0.0	0.0	0.0	0.0	17.6	17.6	17.6
Valuation (x)								
P/E	359.2	524.7	711.6	125.3	81.5	55.0	45.5	38.6
Cash P/E	145.7	153.3	157.7	75.9	55.0	40.5	34.8	29.5
P/BV	19.2	18.5	18.1	15.5	10.9	9.4	8.0	6.9
EV/Sales	17.5	17.1	17.7	11.8	10.0	8.1	7.0	6.1
EV/EBITDA	137.0	129.4	129.5	56.4	43.5	32.6	28.4	24.3
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.3	0.3	0.4
FCF per share	-5.3	-0.5	4.0	1.5	15.2	10.6	6.7	9.4
Return Ratios (%)								
RoE	5.4	3.6	2.6	13.3	16.1	18.4	19.0	19.2
RoCE	7.9	3.3	4.1	10.1	12.2	14.8	16.5	17.6
RoIC	8.4	3.2	4.0	13.1	15.4	16.2	17.1	17.5
Working Capital Ratios								
Asset Turnover (x)	0.7	0.6	0.6	0.8	0.7	0.9	1.0	1.0
Inventory (Days)	6	8	10	8	8	6	5	4
Debtor (Days)	41	36	34	30	26	26	26	26
Creditor (Days)	32	32	33	23	26	26	26	26
Leverage Ratio (x)								
Current Ratio	1.8	1.4	1.5	2.3	3.0	2.4	2.0	1.8
Interest Cover Ratio	2.5	1.6	1.1	4.1	5.9	10.7	17.9	30.0
Net Debt/Equity	0.4	0.5	0.5	0.4	0.1	0.0	0.0	-0.1
Net Debt/EBITDA	2.7	3.2	3.0	1.2	-0.3	-0.6	-0.6	-0.7

Cash Flow Statement

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
OP/(Loss) before Tax	833	639	325	2,806	4,492	6,662	8,042	9,479
Depreciation	883	1,150	1,232	1,297	1,499	1,720	1,798	2,133
Interest & Finance Charges	331	515	672	795	779	607	421	291
Direct Taxes Paid	-675	-562	-164	-980	-1,061	-1,826	-2,205	-2,598
(Inc)/Dec in WC	29	21	366	-668	1,028	474	417	268
CF from Operations	1,400	1,764	2,431	3,250	6,737	7,637	8,473	9,572
Others	255	-13	-13	-137	-292	-796	-919	-1,038
CF from Operating incl EO	1,656	1,751	2,418	3,113	6,445	6,842	7,555	8,533
(Inc)/Dec in FA	-2,986	-1,877	-1,419	-2,731	-2,352	-4,000	-5,750	-6,000
Free Cash Flow	-1,331	-127	998	382	4,093	2,842	1,805	2,533
(Pur)/Sale of Investments								
Others	499	1,007	-972	-1,478	-1,071	1,212	919	1,038
CF from Investments	-2,488	-871	-2,392	-4,209	-3,423	-2,788	-4,831	-4,962
Inc/(Dec) in Debt	1,643	940	-30	2,152	-275	-3,750	-2,000	-2,000
Interest Paid	-679	-951	-779	-936	-1,054	-607	-421	-291
Others	6	2	2	380	4,785	-852	-1,029	-1,213
CF from Fin. Activity	970	-9	-807	1,596	3,456	-5,210	-3,449	-3,503
Inc/Dec of Cash	138	871	-781	500	6,478	-1,156	-726	69
Opening Balance	466	605	1,476	695	1,194	7,672	6,516	5,790
Closing Balance	605	1,476	695	1,194	7,672	6,516	5,790	5,859
FX and others	2,060	16	642	608	0	0	0	0
Total Cash & Cash Eq	2,665	1,492	1,336	1,802	7,672	6,516	5,790	5,859

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NOTES

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BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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