

February 4, 2025

## Q3FY25 Result Update

■ Change in Estimates | ■ Target | ■ Reco

### Change in Estimates

|                     | Current    |        | Previous   |        |
|---------------------|------------|--------|------------|--------|
|                     | FY26E      | FY27E  | FY26E      | FY27E  |
| <b>Rating</b>       | <b>BUY</b> |        | <b>BUY</b> |        |
| <b>Target Price</b> | <b>620</b> |        | <b>620</b> |        |
| Sales (Rs. m)       | 49,435     | 58,142 | 49,435     | 58,142 |
| % Chng.             | -          | -      | -          | -      |
| EBITDA (Rs. m)      | 9,917      | 11,923 | 9,917      | 11,923 |
| % Chng.             | -          | -      | -          | -      |
| EPS (Rs.)           | 10.6       | 13.5   | 10.6       | 13.5   |
| % Chng.             | -          | -      | -          | -      |

### Key Financials - Consolidated

| Y/e Mar        | FY24   | FY25E  | FY26E  | FY27E  |
|----------------|--------|--------|--------|--------|
| Sales (Rs. m)  | 36,990 | 42,201 | 49,435 | 58,142 |
| EBITDA (Rs. m) | 5,890  | 7,918  | 9,917  | 11,923 |
| Margin (%)     | 15.9   | 18.8   | 20.1   | 20.5   |
| PAT (Rs. m)    | 1,880  | 3,132  | 5,304  | 6,731  |
| EPS (Rs.)      | 3.8    | 6.3    | 10.6   | 13.5   |
| Gr. (%)        | 27.9   | 66.6   | 69.4   | 26.9   |
| DPS (Rs.)      | 2.3    | 2.3    | 2.3    | 3.5    |
| Yield (%)      | 0.5    | 0.5    | 0.5    | 0.7    |
| RoE (%)        | 6.0    | 7.5    | 13.5   | 15.4   |
| RoCE (%)       | 9.8    | 11.3   | 15.9   | 18.6   |
| EV/Sales (x)   | 6.5    | 5.3    | 4.5    | 3.8    |
| EV/EBITDA (x)  | 40.7   | 28.2   | 22.6   | 18.7   |
| PE (x)         | 124.5  | 74.7   | 44.1   | 34.8   |
| P/BV (x)       | 5.1    | 6.3    | 5.7    | 5.1    |

### Key Data ATRD.BO | ASTERDM IN

|                     |                     |
|---------------------|---------------------|
| 52-W High / Low     | Rs.535 / Rs.310     |
| Sensex / Nifty      | 77,187 / 23,361     |
| Market Cap          | Rs.234bn/ \$ 2,685m |
| Shares Outstanding  | 500m                |
| 3M Avg. Daily Value | Rs.633.94m          |

### Shareholding Pattern (%)

|                         |       |
|-------------------------|-------|
| Promoter's              | 41.88 |
| Foreign                 | 22.62 |
| Domestic Institution    | 23.20 |
| Public & Others         | 12.30 |
| Promoter Pledge (Rs bn) | 96.92 |

### Stock Performance (%)

|          | 1M     | 6M   | 12M  |
|----------|--------|------|------|
| Absolute | (10.1) | 25.9 | 42.0 |
| Relative | (7.7)  | 32.1 | 32.6 |

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## In line EBITDA; occupancy in Kerala cluster to recover

### Quick Pointers:

- Overall expansion plan of 1,700 beds over FY26/27 with key brownfield expansion at Medcity, CMI and Whitefield.
- Consol margin guidance at +21% by FY27.

**ASTER DM Healthcare's (ASTERDM) Q3 consolidated EBITDA (adj. for ESOP) grew 23% YoY to Rs1.94bn, in line with our estimate. ASTERDM India's EBITDA has increased sharply over the last 2 years (29% CAGR over FY22-24). Our FY25-27E EBITDA estimate stands unchanged. We estimate 23% EBITDA CAGR over FY25-27E aided by scale-up in margins, healthy ARPOB and bed additions. ASTER DM's board has recently approved merger with Quality care (QCIL) that makes them third largest healthcare chain by revenue and bed capacity in India. The combined entity is trading at ~20x EV/EBITDA on FY27E (adj. for minority stake and rental) which is discount to some of peers and unwarranted given higher growth profile, backing of marquee PE investors like Blackstone and combined entity scale of operations. We recommend BUY rating with TP of Rs620/share, valuing 27x EV/EBITDA for combined entity.**

- In line EBITDA aided by Karnataka cluster:** ASTERDM's EBITDA (post-Ind AS) grew 23% YoY (down 14% QoQ) to Rs1.94bn, in line with our estimates. OPM improved ~190bps YoY to 18.5% (down by 220 bps QoQ). Pre-IND AS EBITDA was at Rs1.7bn (up 20% YoY) with OPM of 15.8%. Hospital EBITDA grew by 21% YoY to Rs2.2bn with OPM of 22%, up 190bps YoY. Cluster wise, Karnataka & AP cluster reported strong EBITDA growth of 51% and 42% YoY respectively, while Kerala cluster reported moderate 9% YoY EBITDA growth. Aster Pharmacy and Labs reported positive EBITDA of Rs. 30mn.
- Strong ARPOB; occupancy was weak:** Consolidated revenues improved 11% YoY (down 3% QoQ) to Rs10.5bn. ARPOB increased 15% YoY (6% QoQ) to Rs45.5k per day. Occupancies declined to 63% vs 72% QoQ and 70% in Q3FY24. IP volumes were up 3% YoY. Lower ALOS (3.2 days vs 3.4 in Q3FY24), and better case mix aided ARPOB. Net cash stood at Rs10.1bn as of Q3FY25. This also aided higher other income of Rs330mn.
- Key con-call takeaways:** (1) ATSERDM and QCIL's merger transaction is waiting for regulatory approvals from CCI, NCLT and stock exchanges. (2) On track with overall expansion plans of ~1,700 beds with a total capex requirement at Rs10bn. Commissioned 77 operational beds at Medcity unit in Q3, thereby taking total operational beds to 3,766. Plans to operationalize 159 brownfield beds (Block-D) at Whitefield, 75 brownfield beds at Ongole and 264 greenfield beds at Kasargod in H1FY26. (3) Hospital margins guided to reach ~24% over 2 years with improvement in operational efficiencies, higher ARPOB, reduction in ALOS, and strategic cost control. (4) Kerala cluster's occupancy was impacted for Q3FY25 due to seasonality, new bed addition, decline in international patients (Maldives and GCC region) and recent leadership changes. However, occupancy has seen improvement in Jan month and guided for better case and payor mix further on strategic focus on

improving insurance business and reduction in scheme patients. (5) Whitefield unit occupancy for Block A-C stood at 50-52% in Q3 with ARPOB reaching to Rs 75k following the commercialization of Women and child block. Currently, EBITDA margins are at high teens and guided to gradually expand to ~30%, aligning with Aster CMI's margin profile. 5) ARPOB growth aided by improved surgical mix, ALOS reduction and better payor mix (insurance patients contributed 30% in 9MFY25, represents +300bps YoY improvement). 6) Mgmt plans to maintain pharmacy store range at 200-225 stores. (7) Annual rental cost including variable costs would be at Rs. 1.2-1.3bn for FY25.

**Exhibit 1: Q3FY25 Result Overview (Rs mn) – In line EBITDA**

| Y/e March                           | 3QFY25        | 3QFY24       | YoY gr. (%) | 2QFY25        | QoQ gr. (%)   | 9MFY25        | 9MFY24        | YoY (%)      |
|-------------------------------------|---------------|--------------|-------------|---------------|---------------|---------------|---------------|--------------|
| <b>Net Sales</b>                    | <b>10,498</b> | <b>9,490</b> | <b>10.6</b> | <b>10,864</b> | <b>(3.4)</b>  | <b>31,381</b> | <b>27,242</b> | <b>15.2</b>  |
| COGS                                | 2,470         | 2,292        | 7.8         | 2,375         | 4.0           | 7,131         | 6,841         | 4.2          |
| % of Net Sales                      | 23.5          | 24.1         |             | 21.9          |               | 22.7          | 25.1          |              |
| Employee Cost                       | 1,936         | 1,773        | 9.2         | 1,934         | 0.1           | 5,804         | 5,050         | 14.9         |
| % of Net Sales                      | 18.4          | 18.7         |             | 17.8          |               | 18.5          | 18.5          |              |
| Other Expenses                      | 4,154         | 3,846        | 8.0         | 4,309         | (3.6)         | 12,602        | 11,052        | 14.0         |
| % of Net Sales                      | 39.6          | 40.5         |             | 39.7          |               | 40.2          | 40.6          |              |
| <b>Total</b>                        | <b>8,560</b>  | <b>7,910</b> | <b>8.2</b>  | <b>8,617</b>  | <b>(0.7)</b>  | <b>25,537</b> | <b>22,943</b> | <b>11.3</b>  |
| <b>EBITDA</b>                       | <b>1,938</b>  | <b>1,580</b> | <b>22.6</b> | <b>2,247</b>  | <b>(13.8)</b> | <b>5,844</b>  | <b>4,299</b>  | <b>35.9</b>  |
| Margins (%)                         | 18.5          | 16.6         |             | 20.7          |               | 18.6          | 15.8          |              |
| Other Income                        | 330           | 92           | 258.6       | 352           | (6.4)         | 1,170         | 208           | 463.1        |
| Interest                            | 308           | 253          | 21.8        | 315           | (2.2)         | 914           | 804           | 13.6         |
| Depreciation                        | 622           | 565          | 10.1        | 623           | (0.1)         | 1,849         | 1,616         | 14.4         |
| <b>PBT</b>                          | <b>1,338</b>  | <b>854</b>   | <b>56.6</b> | <b>1,662</b>  | <b>(19.5)</b> | <b>4,251</b>  | <b>2,086</b>  | <b>103.7</b> |
| Tax                                 | 375           | 112          | 233.5       | 529           | (29.1)        | 1,294         | 259           | 398.7        |
| Tax rate %                          | 28.0          | 13.2         |             | 31.8          |               | 30.4          | 12.4          |              |
| <b>PAT</b>                          | <b>963</b>    | <b>742</b>   | <b>29.8</b> | <b>1,133</b>  | <b>(15.0)</b> | <b>2,957</b>  | <b>1,827</b>  | <b>61.9</b>  |
| Share in (loss)/profit of associate | (36)          | (25)         |             | (26)          |               | (89.0)        | (85)          |              |
| Minority Interest                   | (76)          | (70)         |             | (89)          |               | (235.4)       | (167)         |              |
| <b>Reported PAT</b>                 | <b>851</b>    | <b>647</b>   | <b>31.6</b> | <b>1,018</b>  | <b>(16.4)</b> | <b>2,633</b>  | <b>1,575</b>  | <b>67.1</b>  |

Source: Company, PL

**Exhibit 2: Hospital's cluster-wise revenue break-up**

| Revenues (Rs. mn)         | 3QFY25        | 3QFY24       | YoY gr. (%) | 2QFY25        | QoQ gr. (%) | 9MFY25        | 9MFY24        | YoY (%)     |
|---------------------------|---------------|--------------|-------------|---------------|-------------|---------------|---------------|-------------|
| Kerala                    | 5,230         | 5,240        | (0.2)       | 5,590         | (6.4)       | 16,100        | 14,890        | 8.1         |
| % of Total Sales          | 52.2          | 57.7         |             | 53.2          |             | 53.3          | 57.5          |             |
| Karnataka and Maharashtra | 3,580         | 2,780        | 28.8        | 3,670         | (2.5)       | 10,540        | 7,940         | 32.7        |
| % of Total Sales          | 35.7          | 30.6         |             | 34.9          |             | 34.9          | 30.6          |             |
| AP and Telangana          | 1,210         | 1,060        | 14.2        | 1,250         | (3.2)       | 3,570         | 3,080         | 15.9        |
| % of Total Sales          | 12.1          | 11.7         |             | 11.9          |             | 11.8          | 11.9          |             |
| <b>Total sales</b>        | <b>10,020</b> | <b>9,080</b> | <b>10.4</b> | <b>10,510</b> | <b>-4.7</b> | <b>30,210</b> | <b>25,910</b> | <b>16.6</b> |

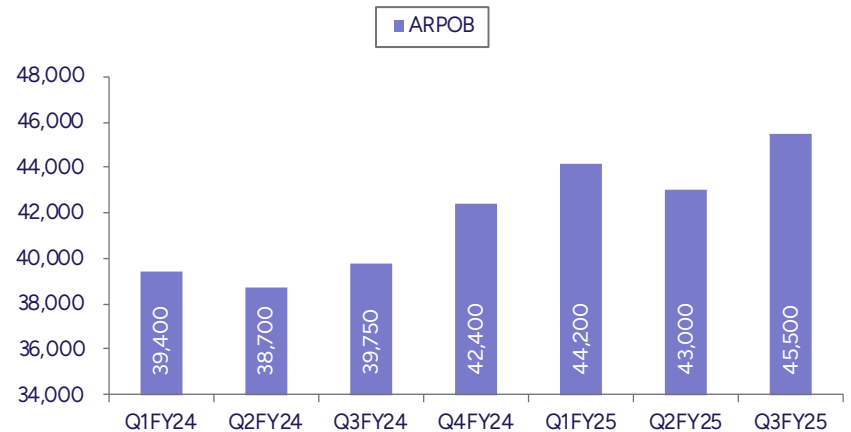
Source: Company, PL

**Exhibit 3: Hospital's cluster-wise EBITDA break-up**

| Y/e March                    | 3QFY25       | 3QFY24       | YoY gr. (%) | 2QFY25       | QoQ gr. (%)  | 9MFY25       | 9MFY24       | YoY (%)     |
|------------------------------|--------------|--------------|-------------|--------------|--------------|--------------|--------------|-------------|
| Kerala                       | 1,280        | 1,170        | 9.4         | 1,390        | (7.9)        | 3,870        | 3,160        | 22.5        |
| Karnataka & Maharashtra      | 800          | 530          | 50.9        | 940          | (14.9)       | 2,440        | 1,540        | 58.4        |
| AP and Telangana             | 170          | 120          | 41.7        | 190          | (10.5)       | 470          | 330          | 42.4        |
| <b>Total Hospital EBITDA</b> | <b>2,250</b> | <b>1,820</b> | <b>23.6</b> | <b>2,520</b> | <b>-10.7</b> | <b>6,780</b> | <b>5,030</b> | <b>34.8</b> |

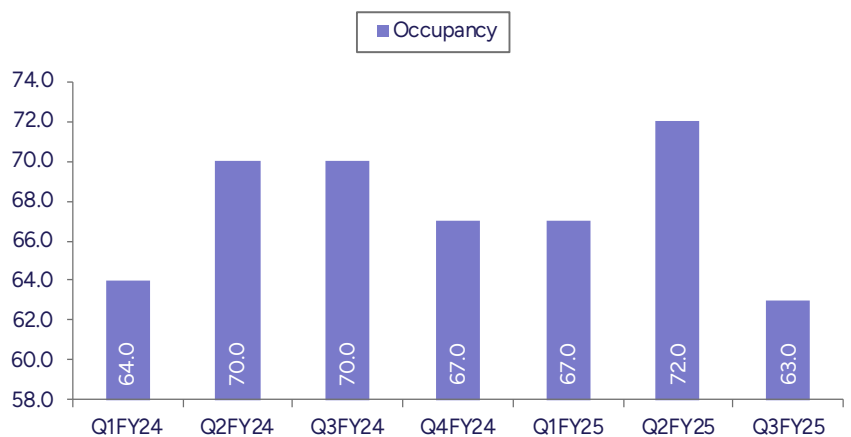
Source: Company, PL

**Exhibit 4: ARPOB growth led by improved surgical mix and ALOS reduction**



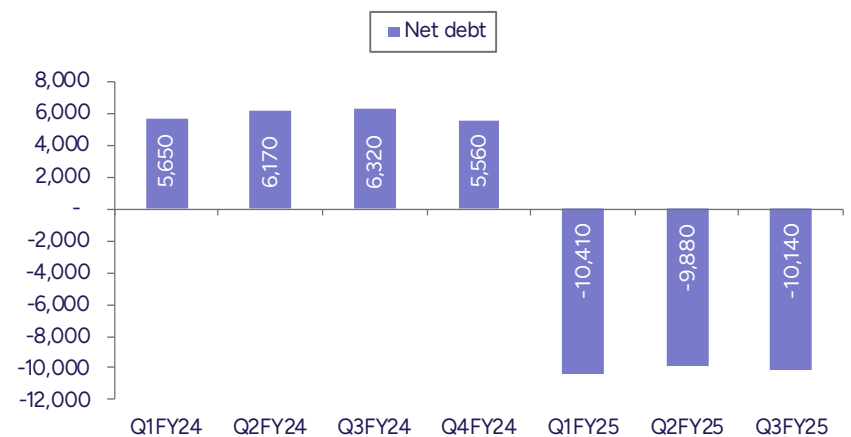
Source: Company, PL

**Exhibit 5: Occupancy decline on seasonality and leadership change in Kerala cluster**



Source: Company, PL

**Exhibit 6: Net cash increased by Rs. 260mn QoQ to Rs10.1bn**



Source: Company, PL

## Financials

### Income Statement (Rs m)

| Y/e Mar                       | FY24          | FY25E         | FY26E         | FY27E         |
|-------------------------------|---------------|---------------|---------------|---------------|
| <b>Net Revenues</b>           | <b>36,990</b> | <b>42,201</b> | <b>49,435</b> | <b>58,142</b> |
| YoY gr. (%)                   | 24.0          | 14.1          | 17.1          | 17.6          |
| Cost of Goods Sold            | 9,160         | 10,339        | 11,864        | 13,954        |
| Gross Profit                  | 27,830        | 31,862        | 37,570        | 44,188        |
| Margin (%)                    | 75.2          | 75.5          | 76.0          | 76.0          |
| Employee Cost                 | 6,660         | 7,526         | 8,504         | 9,610         |
| Other Expenses                | 15,280        | 16,418        | 19,149        | 22,656        |
| <b>EBITDA</b>                 | <b>5,890</b>  | <b>7,918</b>  | <b>9,917</b>  | <b>11,923</b> |
| YoY gr. (%)                   | 30.0          | 34.4          | 25.3          | 20.2          |
| Margin (%)                    | 15.9          | 18.8          | 20.1          | 20.5          |
| Depreciation and Amortization | 2,220         | 2,486         | 2,685         | 2,846         |
| <b>EBIT</b>                   | <b>3,670</b>  | <b>5,432</b>  | <b>7,232</b>  | <b>9,077</b>  |
| Margin (%)                    | 9.9           | 12.9          | 14.6          | 15.6          |
| Net Interest                  | 1,110         | 1,200         | 1,000         | 900           |
| Other Income                  | 250           | 1,450         | 1,700         | 1,800         |
| <b>Profit Before Tax</b>      | <b>2,810</b>  | <b>5,682</b>  | <b>7,932</b>  | <b>9,977</b>  |
| Margin (%)                    | 7.6           | 13.5          | 16.0          | 17.2          |
| Total Tax                     | 50            | 1,704         | 1,983         | 2,494         |
| Effective tax rate (%)        | 1.8           | 30.0          | 25.0          | 25.0          |
| <b>Profit after tax</b>       | <b>2,760</b>  | <b>3,977</b>  | <b>5,949</b>  | <b>7,482</b>  |
| Minority interest             | 250           | 348           | 525           | 622           |
| Share Profit from Associate   | (110)         | (110)         | (120)         | (130)         |
| <b>Adjusted PAT</b>           | <b>1,880</b>  | <b>3,132</b>  | <b>5,304</b>  | <b>6,731</b>  |
| YoY gr. (%)                   | 27.9          | 66.6          | 69.4          | 26.9          |
| Margin (%)                    | 5.1           | 7.4           | 10.7          | 11.6          |
| Extra Ord. Income / (Exp)     | -             | -             | -             | -             |
| <b>Reported PAT</b>           | <b>1,880</b>  | <b>3,132</b>  | <b>5,304</b>  | <b>6,731</b>  |
| YoY gr. (%)                   | 27.9          | 66.6          | 69.4          | 26.9          |
| Margin (%)                    | 5.1           | 7.4           | 10.7          | 11.6          |
| Other Comprehensive Income    | -             | -             | -             | -             |
| Total Comprehensive Income    | 1,880         | 3,132         | 5,304         | 6,731         |
| <b>Equity Shares O/s (m)</b>  | <b>500</b>    | <b>500</b>    | <b>500</b>    | <b>500</b>    |
| <b>EPS (Rs)</b>               | <b>3.8</b>    | <b>6.3</b>    | <b>10.6</b>   | <b>13.5</b>   |

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

| Y/e Mar                               | FY24            | FY25E         | FY26E         | FY27E         |
|---------------------------------------|-----------------|---------------|---------------|---------------|
| <b>Non-Current Assets</b>             |                 |               |               |               |
| <b>Gross Block</b>                    | <b>23,035</b>   | <b>27,268</b> | <b>31,569</b> | <b>35,908</b> |
| Tangibles                             | 23,035          | 27,268        | 31,569        | 35,908        |
| Intangibles                           | -               | -             | -             | -             |
| <b>Acc: Dep / Amortization</b>        | <b>-</b>        | <b>-</b>      | <b>-</b>      | <b>-</b>      |
| Tangibles                             | -               | -             | -             | -             |
| Intangibles                           | -               | -             | -             | -             |
| <b>Net fixed assets</b>               | <b>23,035</b>   | <b>27,268</b> | <b>31,569</b> | <b>35,908</b> |
| Tangibles                             | 23,035          | 27,268        | 31,569        | 35,908        |
| Intangibles                           | -               | -             | -             | -             |
| Capital Work In Progress              | 1,701           | 1,701         | 1,701         | 1,701         |
| Goodwill                              | 2,641           | 2,641         | 2,641         | 2,641         |
| Non-Current Investments               | 170             | 170           | 170           | 170           |
| Net Deferred tax assets               | -               | -             | -             | -             |
| Other Non-Current Assets              | 11,401          | 17,933        | 17,933        | 17,933        |
| <b>Current Assets</b>                 |                 |               |               |               |
| Investments                           | -               | -             | -             | -             |
| Inventories                           | 1,105           | 1,272         | 1,490         | 1,752         |
| Trade receivables                     | 2,334           | 2,775         | 3,250         | 3,823         |
| Cash & Bank Balance                   | 1,526           | 17,517        | 16,194        | 15,557        |
| Other Current Assets                  | 1,36,001        | -             | -             | -             |
| <b>Total Assets</b>                   | <b>1,79,913</b> | <b>71,277</b> | <b>74,949</b> | <b>79,486</b> |
| <b>Equity</b>                         |                 |               |               |               |
| Equity Share Capital                  | 5,000           | 5,000         | 5,000         | 5,000         |
| Other Equity                          | 40,603          | 32,379        | 36,327        | 41,024        |
| <b>Total Network</b>                  | <b>45,603</b>   | <b>37,379</b> | <b>41,327</b> | <b>46,024</b> |
| <b>Non-Current Liabilities</b>        |                 |               |               |               |
| Long Term borrowings                  | 6,693           | 6,693         | 5,693         | 4,693         |
| Provisions                            | -               | -             | -             | -             |
| Other non current liabilities         | 5,029           | 5,830         | 5,830         | 5,830         |
| <b>Current Liabilities</b>            |                 |               |               |               |
| ST Debt / Current of LT Debt          | -               | -             | -             | -             |
| Trade payables                        | 4,587           | 4,587         | 4,587         | 4,587         |
| Other current liabilities             | 1,13,298        | 15,128        | 15,326        | 15,545        |
| <b>Total Equity &amp; Liabilities</b> | <b>1,79,913</b> | <b>71,277</b> | <b>74,949</b> | <b>79,486</b> |

Source: Company Data, PL Research

**Cash Flow (Rs m)**

| Y/e Mar                              | FY24           | FY25E          | FY26E          | FY27E          |
|--------------------------------------|----------------|----------------|----------------|----------------|
| PBT                                  | 2,810          | 5,682          | 7,932          | 9,977          |
| Add. Depreciation                    | 2,220          | 2,486          | 2,685          | 2,846          |
| Add. Interest                        | 1,110          | 1,200          | 1,000          | 900            |
| Less Financial Other Income          | 250            | 1,450          | 1,700          | 1,800          |
| Add. Other                           | -              | (110)          | (120)          | (130)          |
| Op. profit before WC changes         | 6,140          | 9,258          | 11,497         | 13,593         |
| Net Changes-WC                       | 223            | (1,400)        | (495)          | (617)          |
| Direct tax                           | (320)          | (1,704)        | (1,983)        | (2,494)        |
| <b>Net cash from Op. activities</b>  | <b>6,043</b>   | <b>6,154</b>   | <b>9,019</b>   | <b>10,482</b>  |
| Capital expenditures                 | (3,023)        | (4,500)        | (4,500)        | (4,500)        |
| Interest / Dividend Income           | 13             | -              | -              | -              |
| Others                               | (1,272)        | -              | -              | -              |
| <b>Net Cash from Inv. activities</b> | <b>(4,282)</b> | <b>(4,500)</b> | <b>(4,500)</b> | <b>(4,500)</b> |
| Issue of share cap. / premium        | -              | -              | -              | -              |
| Debt changes                         | 723            | -              | (1,000)        | (1,000)        |
| Dividend paid                        | (1,356)        | (61,106)       | (1,356)        | (2,034)        |
| Interest paid                        | (1,110)        | (1,200)        | (1,000)        | (900)          |
| Others                               | 573            | 76,644         | (2,486)        | (2,685)        |
| <b>Net cash from Fin. activities</b> | <b>(1,170)</b> | <b>14,338</b>  | <b>(5,842)</b> | <b>(6,619)</b> |
| <b>Net change in cash</b>            | <b>591</b>     | <b>15,991</b>  | <b>(1,323)</b> | <b>(637)</b>   |
| Free Cash Flow                       | 2,638          | 1,654          | 4,519          | 5,982          |

Source: Company Data, PL Research

**Key Financial Metrics**

| Y/e Mar                    | FY24  | FY25E | FY26E | FY27E |
|----------------------------|-------|-------|-------|-------|
| <b>Per Share(Rs)</b>       |       |       |       |       |
| EPS                        | 3.8   | 6.3   | 10.6  | 13.5  |
| CEPS                       | 8.2   | 11.2  | 16.0  | 19.2  |
| BVPS                       | 91.2  | 74.8  | 82.7  | 92.0  |
| FCF                        | 5.3   | 3.3   | 9.0   | 12.0  |
| DPS                        | 2.3   | 2.3   | 2.3   | 3.5   |
| <b>Return Ratio(%)</b>     |       |       |       |       |
| RoCE                       | 9.8   | 11.3  | 15.9  | 18.6  |
| ROIC                       | 2.1   | 10.1  | 12.3  | 14.2  |
| RoE                        | 6.0   | 7.5   | 13.5  | 15.4  |
| <b>Balance Sheet</b>       |       |       |       |       |
| Net Debt : Equity (x)      | 0.1   | (0.3) | (0.3) | (0.2) |
| Net Working Capital (Days) | (11)  | (5)   | 1     | 6     |
| <b>Valuation(x)</b>        |       |       |       |       |
| PER                        | 124.5 | 74.7  | 44.1  | 34.8  |
| P/B                        | 5.1   | 6.3   | 5.7   | 5.1   |
| P/CEPS                     | 57.1  | 41.7  | 29.3  | 24.5  |
| EV/EBITDA                  | 40.7  | 28.2  | 22.6  | 18.7  |
| EV/Sales                   | 6.5   | 5.3   | 4.5   | 3.8   |
| Dividend Yield (%)         | 0.5   | 0.5   | 0.5   | 0.7   |

Source: Company Data, PL Research

**Quarterly Financials (Rs m)**

| Y/e Mar                           | Q4FY24       | Q1FY25        | Q2FY25        | Q3FY25        |
|-----------------------------------|--------------|---------------|---------------|---------------|
| <b>Net Revenue</b>                | <b>9,736</b> | <b>10,019</b> | <b>10,864</b> | <b>10,498</b> |
| YoY gr. (%)                       | 20.7         | 19.1          | 16.3          | 10.6          |
| Raw Material Expenses             | 2,318        | 2,286         | 2,375         | 2,470         |
| Gross Profit                      | 7,418        | 7,733         | 8,490         | 8,028         |
| Margin (%)                        | 76.2         | 77.2          | 78.1          | 76.5          |
| <b>EBITDA</b>                     | <b>1,583</b> | <b>1,659</b>  | <b>2,247</b>  | <b>1,938</b>  |
| YoY gr. (%)                       | 27.7         | 33.9          | 51.9          | 22.6          |
| Margin (%)                        | 16.3         | 16.6          | 20.7          | 18.5          |
| Depreciation / Depletion          | 584          | 604           | 623           | 622           |
| <b>EBIT</b>                       | <b>1,000</b> | <b>1,055</b>  | <b>1,625</b>  | <b>1,316</b>  |
| Margin (%)                        | 10.3         | 10.5          | 15.0          | 12.5          |
| Net Interest                      | 299          | 292           | 315           | 308           |
| Other Income                      | 41           | 487           | 352           | 330           |
| <b>Profit before Tax</b>          | <b>742</b>   | <b>1,251</b>  | <b>1,662</b>  | <b>1,338</b>  |
| Margin (%)                        | 7.6          | 12.5          | 15.3          | 12.7          |
| Total Tax                         | 306          | 390           | 529           | 375           |
| Effective tax rate (%)            | 41.2         | 31.2          | 31.8          | 28.0          |
| <b>Profit after Tax</b>           | <b>436</b>   | <b>861</b>    | <b>1,133</b>  | <b>963</b>    |
| Minority interest                 | 90           | 70            | 89            | 76            |
| Share Profit from Associates      | (29)         | (27)          | (26)          | (36)          |
| <b>Adjusted PAT</b>               | <b>878</b>   | <b>734</b>    | <b>958</b>    | <b>554</b>    |
| YoY gr. (%)                       | 78.1         | 70.7          | 92.2          | (14.4)        |
| Margin (%)                        | 9.0          | 7.3           | 8.8           | 5.3           |
| Extra Ord. Income / (Exp)         | -            | -             | -             | -             |
| <b>Reported PAT</b>               | <b>878</b>   | <b>734</b>    | <b>958</b>    | <b>554</b>    |
| YoY gr. (%)                       | 78.1         | 70.7          | 92.2          | (14.4)        |
| Margin (%)                        | 9.0          | 7.3           | 8.8           | 5.3           |
| Other Comprehensive Income        | -            | -             | -             | -             |
| <b>Total Comprehensive Income</b> | <b>878</b>   | <b>734</b>    | <b>958</b>    | <b>554</b>    |
| Avg. Shares O/s (m)               | 500          | 500           | 500           | 500           |
| <b>EPS (Rs)</b>                   | <b>1.8</b>   | <b>1.5</b>    | <b>1.9</b>    | <b>1.1</b>    |

Source: Company Data, PL Research

**Price Chart**

**Recommendation History**



| No. | Date      | Rating | TP (Rs.) | Share Price (Rs.) |
|-----|-----------|--------|----------|-------------------|
| 1   | 08-Jan-25 | BUY    | 620      | 524               |
| 2   | 02-Dec-24 | BUY    | 620      | 500               |
| 3   | 24-Oct-24 | BUY    | 500      | 443               |
| 4   | 07-Oct-24 | BUY    | 400      | 412               |
| 5   | 01-Aug-24 | BUY    | 400      | 368               |
| 6   | 08-Jul-24 | BUY    | 400      | 340               |
| 7   | 30-May-24 | BUY    | 400      | 365               |
| 8   | 08-Apr-24 | BUY    | 515      | 457               |
| 9   | 02-Apr-24 | BUY    | 515      | 408               |
| 10  | 12-Feb-24 | BUY    | 500      | 440               |

**Analyst Coverage Universe**

| Sr. No. | Company Name                          | Rating     | TP (Rs) | Share Price (Rs) |
|---------|---------------------------------------|------------|---------|------------------|
| 1       | Apollo Hospitals Enterprise           | BUY        | 8,000   | 7,437            |
| 2       | Aster DM Healthcare                   | BUY        | 620     | 524              |
| 3       | Aurobindo Pharma                      | Accumulate | 1,475   | 1,298            |
| 4       | Cipla                                 | BUY        | 1,730   | 1,421            |
| 5       | Divi's Laboratories                   | Accumulate | 6,000   | 5,920            |
| 6       | Dr. Reddy's Laboratories              | Reduce     | 1,335   | 1,289            |
| 7       | Eris Lifesciences                     | BUY        | 1,420   | 1,301            |
| 8       | Fortis Healthcare                     | BUY        | 710     | 735              |
| 9       | HealthCare Global Enterprises         | BUY        | 535     | 488              |
| 10      | Indoco Remedies                       | Hold       | 325     | 343              |
| 11      | Ipca Laboratories                     | Accumulate | 1,700   | 1,736            |
| 12      | J.B. Chemicals & Pharmaceuticals      | BUY        | 2,250   | 1,896            |
| 13      | Jupiter Life Line Hospitals           | BUY        | 1,660   | 1,565            |
| 14      | Krishna Institute of Medical Sciences | BUY        | 675     | 649              |
| 15      | Lupin                                 | BUY        | 2,420   | 2,359            |
| 16      | Max Healthcare Institute              | BUY        | 1,300   | 1,061            |
| 17      | Narayana Hrudayalaya                  | BUY        | 1,420   | 1,351            |
| 18      | Rainbow Children's Medicare           | BUY        | 1,785   | 1,552            |
| 19      | Sun Pharmaceutical Industries         | BUY        | 2,275   | 1,744            |
| 20      | Sunteck Realty                        | BUY        | 700     | 494              |
| 21      | Torrent Pharmaceuticals               | Accumulate | 3,750   | 3,248            |
| 22      | Zydus Lifesciences                    | Accumulate | 1,050   | 1,001            |

**PL's Recommendation Nomenclature (Absolute Performance)**

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

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