

# Apollo Hospitals

Estimate change	↔↔
TP change	↔↔
Rating change	↔↔

Bloomberg	APHS IN
Equity Shares (m)	144
M.Cap.(INRb)/(USDb)	1122.7 / 12.8
52-Week Range (INR)	7840 / 6001
1, 6, 12 Rel. Per (%)	11/16/17
12M Avg Val (INR M)	2791

## Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	217.9	246.8	290.3
EBITDA	30.2	36.0	44.1
Adj. PAT	14.5	18.5	23.6
EBIT Margin (%)	13.9	14.6	15.2
Cons. Adj. EPS (INR)	100.6	128.3	164.5
EPS Gr. (%)	61.1	164.5	28.2
BV/Sh. (INR)	590.3	716.9	880.8

## Ratios

Net D:E	0.2	-0.1	-0.3
RoE (%)	19.1	20.3	21.3
RoCE (%)	15.3	15.5	17.1
Payout (%)	5.8	4.6	3.6
<b>Valuations</b>			
P/E (x)	77.6	60.8	47.5
EV/EBITDA (x)	38.4	31.6	25.2
Div. Yield (%)	0.1	0.1	0.1
FCF Yield (%)	0.4	2.2	2.6
EV/Sales (x)	5.3	4.6	3.8

## Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	29.3	29.3	29.3
DII	21.6	22.5	21.4
FII	43.5	42.7	43.9
Others	5.6	5.4	5.4

FII includes depository receipts

**CMP: INR7,808** **TP: INR9,010 (+15%)** **Buy**

## Broad-based growth with a beat on EBITDA/PAT, led by cost optimization

### Efforts underway to increase beds, stores, and access to online services

- Apollo Hospitals Enterprises (APHS) reported an in-line revenue in 1QFY26. However, it delivered better-than-expected EBITDA/PAT, with a 9%/13% beat. This was largely driven by a reduction in 24/7 operating costs, better operating leverage in AHLL, and higher growth in average revenue per patient (ARPP).
- APHS witnessed a spike in 1) the number of registrations (+21% YoY), 2) the number of active users (+55% YoY), and 3) daily medicine orders, as well as daily consultations. The company is implementing cost optimization measures to eventually improve the profitability of Healthco.
- APHS reported a soft volume growth in healthcare services for the quarter. However, this was offset by higher ARPP on a YoY basis.
- We raise our earnings estimates by 7% each in FY26/FY27 to factor in 1) faster reduction in operating costs and the growing revenue of the online platform, 2) a reduction in ALOS, driving better profitability for the hospital business, and 3) an increase in the international patient flow from newer geographies. We value APHS on an SoTP basis (30x EV/EBITDA for the hospital business, 20x EV/EBITDA for retained pharmacy, 25x EV/EBITDA for AHLL, 23x EV/EBITDA for front-end pharmacy, and 2x EV/sales for Apollo 24/7) to arrive at our TP of INR9,010.
- APHS has been optimizing the framework for a comprehensive healthcare service offering. It is also adding growth levers in each segment – adding beds in hospitals, adding stores in offline pharmacies, improving GMV/reducing opex in its online pharmacy, merging the Keimed distribution segment, and scaling up the diagnostic business. Accordingly, we expect a 15%/21%/28% CAGR in revenue/EBITDA/PAT over FY25-27. **Reiterate BUY.**

### Revenue growth in place; EBITDA/PAT beat estimates due to lower opex

- APHS' 1QFY26 revenues grew 15% YoY to INR58.4b (est. INR57.3b).
- Healthcare services revenue grew 11% YoY to INR29.4b. Healthco revenue grew 18.7% YoY to INR24.7b. AHLL's revenue grew 18.8% YoY to 4.4b.
- EBITDA margin expanded 130bp YoY to 14.6% (our est. 13.6%) due to lower employee cost and other expenses (22bp/117bp YoY as % sales), offset by an increase in RM costs (26bp YoY as % sales).
- EBITDA grew 26.2% YoY to INR8.5b (surpassing our estimate of INR7.8b).
- Adj. PAT grew 41.8% YoY to INR4.3b (our est: INR3.8b).
- Hospital EBITDA grew 15% YoY to INR7.2b for 1QFY26. EBITDA margin expanded 90bp YoY to 24.5% in 1QFY26.
- Healthco exhibited EBITDA of INR940m for 1QFY26 vs INR230m in 1QFY25. EBITDA margins stood at 3.8% in Q1FY26.
- AHLL's overall revenue/EBITDA grew 19%/31% YoY in 1QFY26 to INR4.4b/INR400m.

### Highlights from the management commentary

- APHS is on track to achieve cash EBITDA breakeven (excluding ESOP cost) in Healthco by 2QFY26/3QFY26.
- Surgical revenues grew 14% YoY, led by a healthy momentum in CONGO (cardiac, oncology, neurosciences, gastro, and ortho) therapies in 1QFY26.
- Better institutional tariffs, case mix, and inflation-linked price hikes fueled growth in ARPP for the quarter.
- The GMV comprises pharmacy, diagnostics, and the business driven by Apollo Group Hospitals. The redefinition of GMV related to Apollo Group Hospitals and the restated GMV of INR8b-INR9b would enable APHS to achieve EBITDA breakeven in the digital platform.
- APHS has reworked customer acquisition charges, discounts, and lifestyle costs to reduce the overall opex for the digital platform.
- Hospitals that would be operational in FY26 are the Women's Oncology Center in Delhi, a multi-specialty hospital in Pune, the acquired hospital in Bengaluru, and a multi-specialty hospital in Kolkata. The company would add 700 beds to the current operational bed size of 9,458.

Y/E March											(INR m)		
	FY25				FY26E				FY25		FY26E		
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1QE	1QE	(%)		
<b>Gross Sales</b>	<b>50,856</b>	<b>55,893</b>	<b>55,269</b>	<b>55,922</b>	<b>58,421</b>	<b>61,939</b>	<b>62,384</b>	<b>63,724</b>	<b>217,940</b>	<b>246,468</b>	<b>57,362</b>	<b>1.8%</b>	
YoY Change (%)	15.1	15.3	13.9	13.1	14.9	10.8	12.9	14.0	14.3	13.1	12.8		
<b>Total Expenditure</b>	<b>44,105</b>	<b>47,738</b>	<b>47,654</b>	<b>48,225</b>	<b>49,902</b>	<b>52,834</b>	<b>53,089</b>	<b>54,930</b>	<b>187,722</b>	<b>210,755</b>	<b>49,561</b>		
<b>EBITDA</b>	<b>6,751</b>	<b>8,155</b>	<b>7,615</b>	<b>7,697</b>	<b>8,519</b>	<b>9,105</b>	<b>9,295</b>	<b>8,794</b>	<b>30,218</b>	<b>35,713</b>	<b>7,801</b>	<b>9.2%</b>	
YoY Change (%)	32.6	30.0	24.1	20.2	26.2	11.7	22.1	14.3	26.4	18.2	15.6		
Margins (%)	13.3	14.6	13.8	13.8	14.6	14.7	14.9	13.8	13.9	14.5	13.6		
Depreciation	1,774	1,845	1,846	2,110	2,147	2,178	2,290	2,103	7,575	8,717	1,771		
Interest	1,164	1,175	1,098	1,148	1,083	1,130	1,120	1,133	4,585	4,466	1,155		
Other Income	372	382	638	611	402	530	560	776	2,003	2,268	550		
<b>PBT before EO expense</b>	<b>4,185</b>	<b>5,517</b>	<b>5,309</b>	<b>5,050</b>	<b>5,691</b>	<b>6,327</b>	<b>6,446</b>	<b>6,334</b>	<b>20,061</b>	<b>24,798</b>	<b>5,425</b>	<b>4.9%</b>	
Extra-Ord expense/(Income)	0	0	0	0	0	0	0	0	0	0	0	0	
<b>PBT</b>	<b>4,185</b>	<b>5,517</b>	<b>5,309</b>	<b>5,050</b>	<b>5,691</b>	<b>6,327</b>	<b>6,446</b>	<b>6,334</b>	<b>20,061</b>	<b>24,798</b>	<b>5,425</b>	<b>4.9%</b>	
Tax	1,145	1,617	1,568	1,010	1,417	1,708	1,773	1,761	5,340	6,490	1,519		
Rate (%)	27.4	29.3	29.5	20.0	24.9	27.0	27.5	27.8	26.6	26.2	28.0		
MI & Profit/Loss of Asso. Cos.	-12	112	18	144	-54	73	82	71	262	172	70		
<b>Reported PAT</b>	<b>3,052</b>	<b>3,788</b>	<b>3,723</b>	<b>3,896</b>	<b>4,328</b>	<b>4,546</b>	<b>4,591</b>	<b>4,502</b>	<b>14,459</b>	<b>18,136</b>	<b>3,836</b>	<b>12.8%</b>	
<b>Adj PAT</b>	<b>3,052</b>	<b>3,788</b>	<b>3,723</b>	<b>3,896</b>	<b>4,328</b>	<b>4,546</b>	<b>4,591</b>	<b>4,502</b>	<b>14,459</b>	<b>18,451</b>	<b>3,836</b>	<b>12.8%</b>	
YoY Change (%)	83.2	63.5	51.8	53.5	41.8	20.0	23.3	15.5	61.1	27.6	25.7		
Margins (%)	6.0	6.8	6.7	7.0	7.4	7.3	7.4	7.1	6.6	7.5	6.7		
<b>EPS</b>	<b>21.2</b>	<b>26.3</b>	<b>25.9</b>	<b>27.1</b>	<b>30.1</b>	<b>31.6</b>	<b>31.9</b>	<b>31.3</b>	<b>100.6</b>	<b>128.3</b>	<b>26.7</b>		

E: MOFSL Estimates

### Key performance Indicators (Consolidated)

Y/E March	FY25				FY26E				FY25		FY26E		
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1QE	1QE	(%)		
<b>Hospital Revenue (INRm)</b>	<b>26,373</b>	<b>29,032</b>	<b>27,850</b>	<b>28,220</b>	<b>29,666</b>	<b>31,439</b>	<b>30,529</b>	<b>30,931</b>	<b>1,11,475</b>	<b>1,22,565</b>	<b>29,666</b>	<b>0.0%</b>	
YoY Growth (%)	15.0	14.0	13.0	10.3	12.5	8.3	9.6	9.6	13.0	9.9	12.5		
EBITDA margin (%)	25	25	24	25	25	25	25	26			25		
<b>Healthco (INRm)</b>	<b>20,821</b>	<b>22,822</b>	<b>23,524</b>	<b>23,763</b>	<b>24,719</b>	<b>26,017</b>	<b>27,523</b>	<b>28,447</b>	<b>90,930</b>	<b>1,06,706</b>	<b>23,528</b>	<b>5.1%</b>	
YoY Growth (%)	15.3	17.3	14.8	17.2	18.7	14.0	17.0	19.7	16.2	17.3	13.0		
EBITDA margin (%)	1	2	2	2	4	4	4	4			2		
<b>AHLL Revenue (INRm)</b>	<b>3,661</b>	<b>4,039</b>	<b>3,895</b>	<b>3,940</b>	<b>4,351</b>	<b>4,484</b>	<b>4,332</b>	<b>4,346</b>	<b>15,535</b>	<b>17,512</b>	<b>4,169</b>	<b>4.4%</b>	
YoY Growth (%)	14.9	14.0	15.3	11.1	18.8	11.0	11.2	10.3	13.8	12.7	13.9		
<b>Cost Break-up</b>													
Gross Margin (%)	48.4	48.9	47.5	47.6	47.8	48.6	48.7	49.0	48.1	48.6	47.8		
EBITDA Margin (%)	13.3	14.6	13.8	13.8	14.6	14.7	14.9	13.8	13.9	87.6	13.6		
PAT Margin (%)	6.0	6.8	6.7	7.0	7.4	7.3	7.4	7.1	6.6	78.4	6.7		



## Highlights from the management commentary

- The GMV-revenue ratio remains intact at 45%-46%.
- APHS is on track to add 600 stores in FY26. It has added 112 stores in 1QFY26.
- There has been healthy growth in volume for diagnostics. APHS opened a reference lab in Chennai recently. A certain one-off cost dragged profitability in the diagnostic segment within AHLL.
- International patients contributed 5% of the revenue for the quarter. APHS has kept its target to reach 7%/10% in FY26/FY27
- APHS is engaging with newer markets like Africa/Middle East as well as Iraq to offset the impact on international patient flow due to political turmoil in Bangladesh.

## Other operational highlights

### Hospitals segment (50% of sales)

- Average revenue per patient grew 9% YoY to INR172,282 for the quarter.
- Occupancy for 1QFY26 is 65% vs 68% in 1QFY25.
- ALOS for hospitals in 1QFY26 decreased by 6% to 3.1 days.

### Healthco (offline/online pharmacy and Apollo 24/7; 43% of sales)

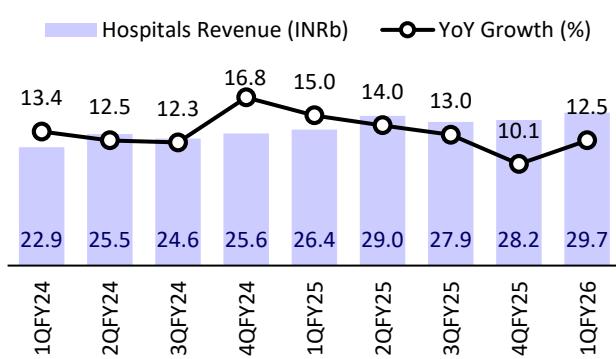
- Healthco exhibited EBITDA of INR363m for 4QFY25 vs INR566m in 3QFY25.
- Platform GMV grew 23% YoY to INR6.8b. A total of 6,742 operating stores as of 1QFY26 for Healthco.
- A total of 6,742 operating stores as of Jun'25. 112 stores were added in 1QFY26.

### AHLL (7% of sales)

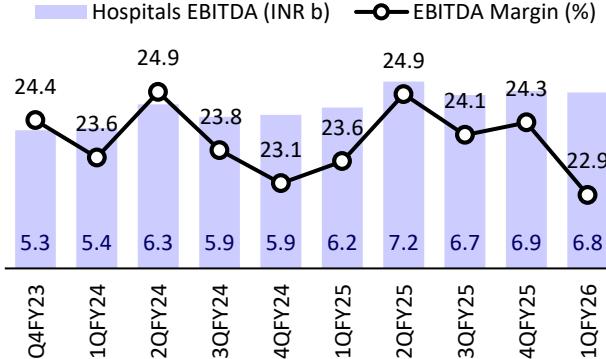
- Revenues of primary care grew by 17% YoY in 1QFY26 to INR1.1b.
- Specialty care grew by 9% YoY in 4QFY26 to INR1.9b
- Network collection centers increased by 65 centers YoY to 2173 centers.

## Key exhibits

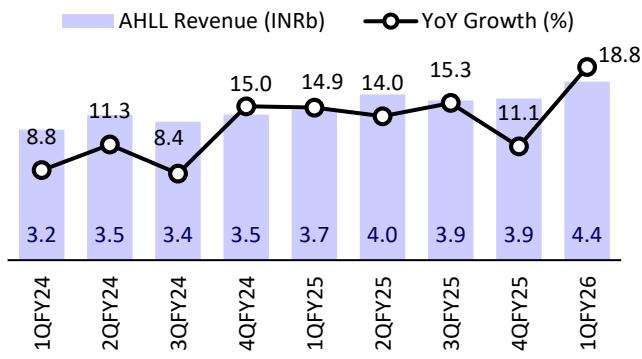
**Exhibit 1: Revenue for hospitals grew 12.5% YoY in 1QFY26**



**Exhibit 2: Hospitals' EBITDA margin contracted 70bp YoY**

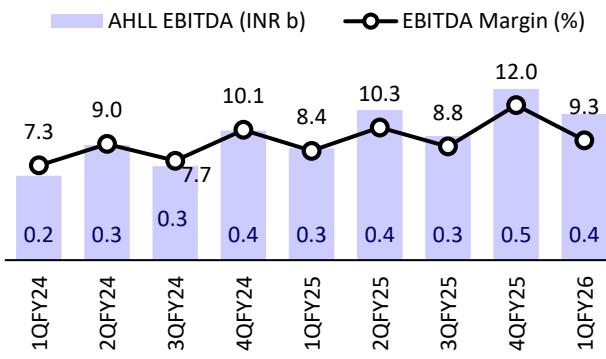


**Exhibit 3: AHLL – revenue grew 18.8% YoY in 1QFY26**



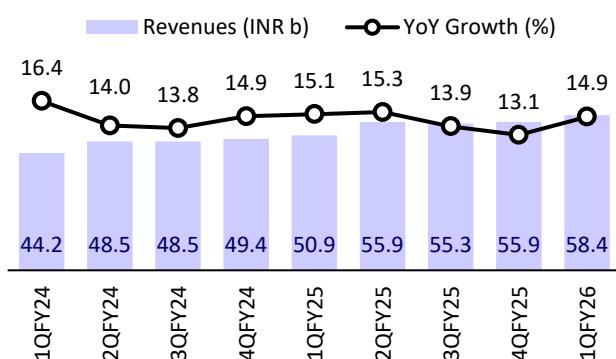
Source: MOFSL, Company

**Exhibit 4: AHLL – EBITDA margin expanded 90bp YoY**



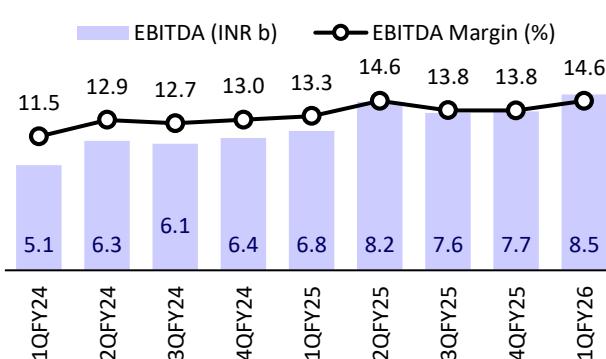
Source: MOFSL, Company

**Exhibit 5: APHS – overall revenue grew 15% YoY in 1QFY26**

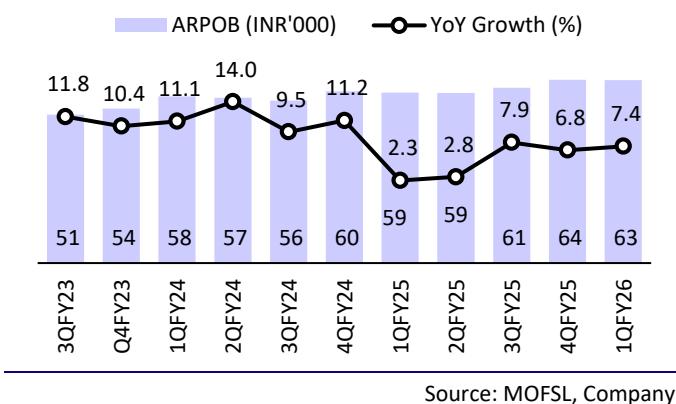


Source: MOFSL, Company

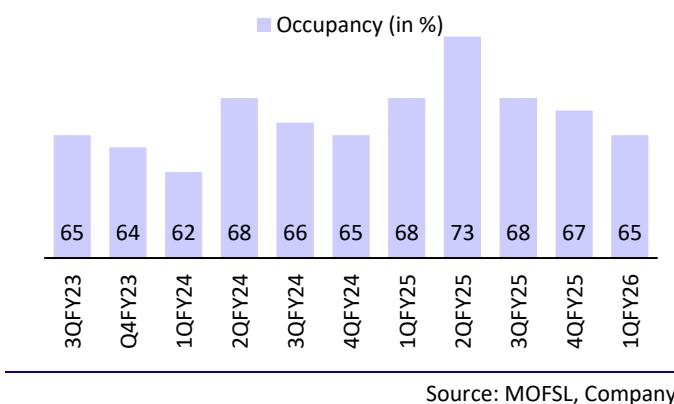
**Exhibit 6: APHS – overall EBITDA margin up 130bp YoY**



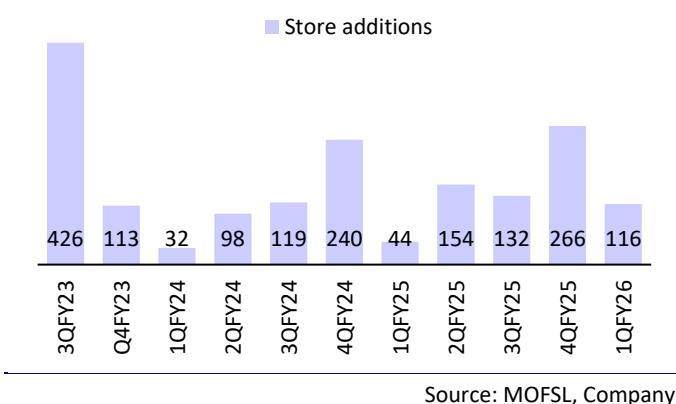
Source: MOFSL, Company

**Exhibit 7: ARPOB grew 7.4% YoY in 1QFY26**


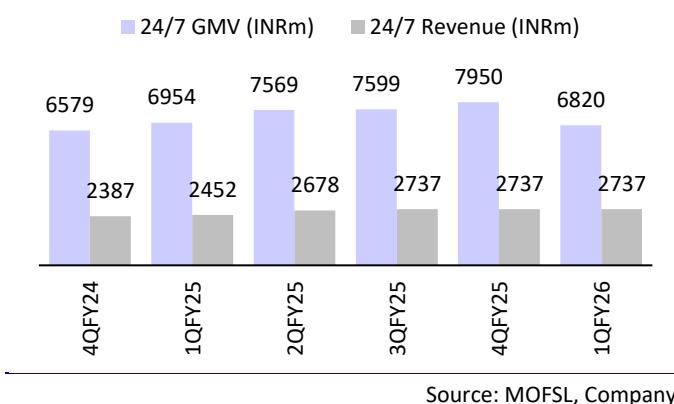
Source: MOFSL, Company

**Exhibit 8: Occupancy declined 300bp YoY in 1QFY26**


Source: MOFSL, Company

**Exhibit 9: 120 stores were added in 1QFY26, taking the total stores to 6,742**


Source: MOFSL, Company

**Exhibit 10: GMV declined 14% QoQ / 2% YoY**


Source: MOFSL, Company

## Subdued patient volume growth; sharp reduction in losses at the online pharmacy segment

### Hospitals: Muted patient volume growth; eyes capacity expansion

- In Healthcare services, APHS delivered 3% YoY growth in volume of patients treated. The YoY growth in volume was partly impacted due to political tension in Bangladesh, affecting the international patent flow.
- Within India, the YoY volume of patients treated was muted in TN, Karnataka, the eastern region, and the northern regions. This was offset to some extent by strong growth in the volume of patients treated in the AP/Telangana regions.
- Interestingly, the ARPP witnessed the maximum increase in the Karnataka region.
- Also, the reduction in ALOS has helped APHS to have better operating efficiency.
- The share of cash/insurance patients remained stable at 85% for the quarter.
- APHS is also implementing efforts towards bed addition to add a further lever of growth over the next 4-5 years.
- Accordingly, we model a 16% sales CAGR in the healthcare service segment to reach INR147b revenue over FY25-27.

### Apollo Healthco: offline/online growth sustained; margin stability retained

- The offline pharmacy revenue grew 18% YoY, and growth momentum was sustained in this quarter. The EBITDA margin was stable at 7.7% for the quarter.

- In addition to new stores, APHS is putting efforts into improving the offering to earn better margins. It is implementing marketing efforts to increase the share of private label. Currently the share of private label in offline pharmacy sales is about 15.5%.
- The new customer acquisition channel has started to gain traction.
- The online pharmacy and distribution segment delivered 26% YoY growth in revenue.
- APHS has been able to curtail the operational cost in this segment from INR1.3b/INR1.1b to INR960m in 1QFY26.
- Overall, at the healthco level, we expect 18% sales CAGR over FY25-27.

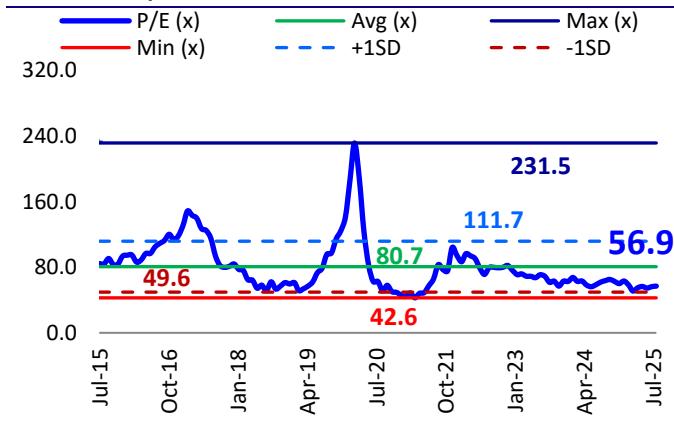
### AHLL: Diagnostic lead growth despite margin dip in primary care

- In 1QFY26, AHLL sales grew 19% YoY to INR4.3b, primarily attributed to the diagnostics segment. The primary care revenue grew 18% YoY to INR1.1b, and specialty care grew 9% YoY to INR1.9b. The diagnostic business grew strongly at 31% YoY to INR1.5b.
- The EBITDA margin of primary care dipped 120bp YoY, and that of the diagnostics segment contracted 160bp YoY. The specialty care witnessed a 210bp YoY margin expansion for the quarter.
- We project a CAGR of 13% in sales in this segment over FY25-27.

### Reiterate BUY

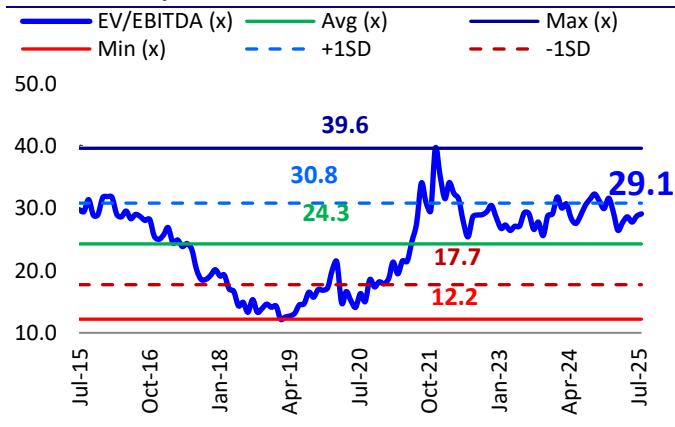
- We raise our earnings estimates by 7% each in FY26/FY27 to factor in 1) faster reduction in operating costs and the growing revenue of the online platform, 2) a reduction in ALOS, driving better profitability for the hospital business, and 3) an increase in the international patient flow from newer geographies. We value APHS on an SoTP basis (30x EV/EBITDA for the hospital business, 20x EV/EBITDA for retained pharmacy, 25x EV/EBITDA for AHLL, 23x EV/EBITDA for front-end pharmacy, and 2x EV/sales for Apollo 24/7) to arrive at our TP of INR9,010.
- APHS has been optimizing the framework for a comprehensive healthcare service offering. It is also adding growth levers in each segment – adding beds in hospitals, adding stores in offline pharmacies, improving GMV/ reducing opex in its online pharmacy, merging the Keimed distribution segment, and scaling up the diagnostic business. Accordingly, we expect a 15%/21%/28% CAGR in revenue/EBITDA/PAT over FY25-27. **Reiterate BUY.**

**Exhibit 11: P/E chart**



Source: MOFSL, Company, Bloomberg

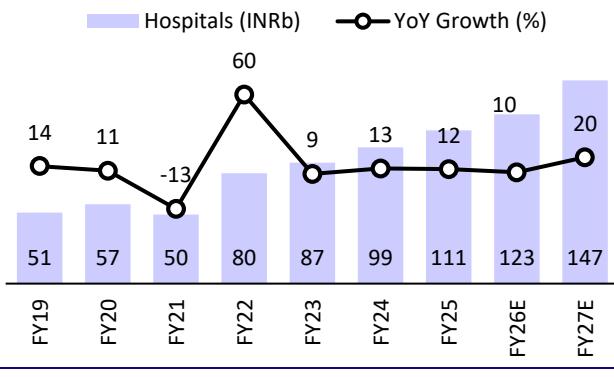
**Exhibit 12: EV/EBITDA chart**



Source: MOFSL, Company, Bloomberg

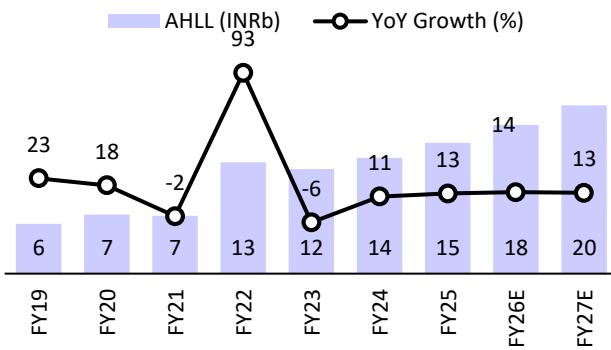
## Story in charts

**Exhibit 13: Expect a 15% sales CAGR over FY25-27 in the hospitals segment**



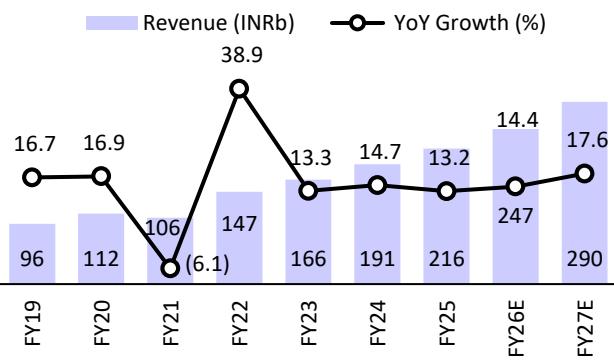
Source: Company, MOFSL

**Exhibit 14: Expect a 13.5% sales CAGR over FY25-27 in the AHLL segment**



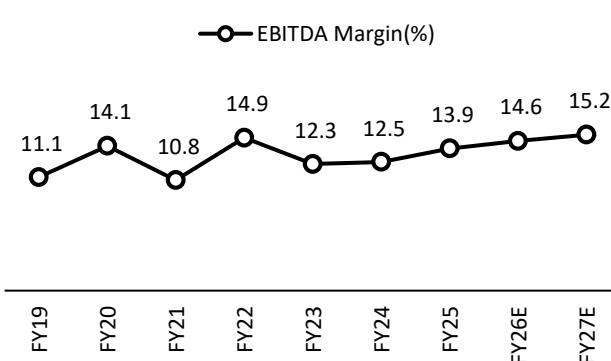
Source: Company, MOFSL

**Exhibit 15: Expect 16% overall revenue CAGR during FY25-27**



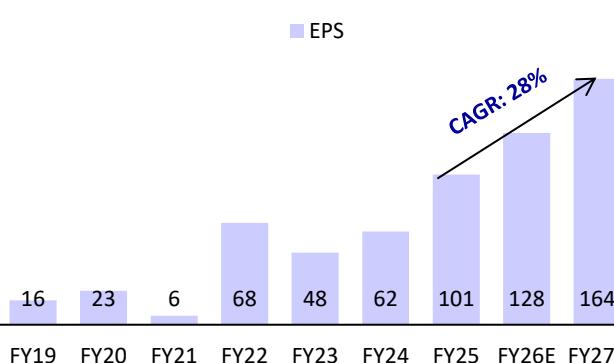
Source: Company, MOFSL

**Exhibit 16: Expect EBITDA margin to gradually expand over FY25-27**



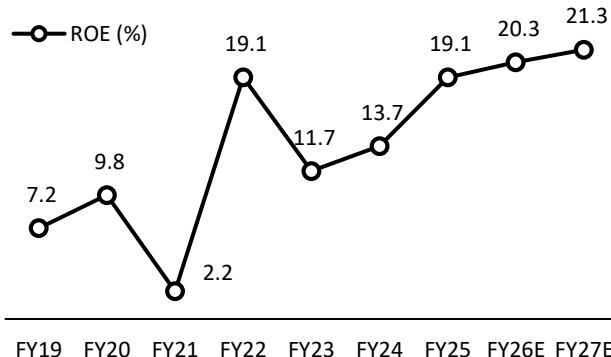
Source: Company, MOFSL

**Exhibit 17: Expect 28% EPS CAGR over FY25-27**



Source: Company, MOFSL

**Exhibit 18: Expect RoE to improve over FY25-27**



Source: Company, MOFSL

## Financials and valuations

Consolidated - Income Statement									(INRm)
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	
<b>Total Income from Operations</b>	<b>1,12,468</b>	<b>1,05,600</b>	<b>1,46,626</b>	<b>1,66,124</b>	<b>1,90,592</b>	<b>2,17,940</b>	<b>2,46,783</b>	<b>2,90,303</b>	
Change (%)	16.9	-6.1	38.9	13.3	14.7	14.3	13.2	17.6	
<b>Total Expenditure</b>	<b>96,596</b>	<b>94,226</b>	<b>1,24,775</b>	<b>1,45,628</b>	<b>1,66,685</b>	<b>1,87,722</b>	<b>2,10,755</b>	<b>2,46,177</b>	
% of Sales	85.9	89.2	85.1	87.7	87.5	86.1	85.4	84.8	
<b>EBITDA</b>	<b>15,872</b>	<b>11,374</b>	<b>21,851</b>	<b>20,496</b>	<b>23,907</b>	<b>30,218</b>	<b>36,028</b>	<b>44,126</b>	
Margin (%)	14.1	10.8	14.9	12.3	12.5	13.9	14.6	15.2	
Depreciation	6,197	5,731	6,007	6,152	6,870	7,575	8,717	8,947	
<b>EBIT</b>	<b>9,675</b>	<b>5,643</b>	<b>15,844</b>	<b>14,343</b>	<b>17,037</b>	<b>22,643</b>	<b>27,311</b>	<b>35,179</b>	
Int. and Finance Charges	5,328	4,492	3,786	3,808	4,494	4,585	4,466	4,172	
Other Income	270	450	781	903	1,063	2,003	2,268	2,322	
<b>PBT bef. EO Exp.</b>	<b>4,617</b>	<b>1,601</b>	<b>12,839</b>	<b>11,439</b>	<b>13,606</b>	<b>20,061</b>	<b>25,113</b>	<b>33,329</b>	
EO Items	1,952	614	2,941	0	19	0	0	0	
<b>PBT after EO Exp.</b>	<b>6,569</b>	<b>2,215</b>	<b>15,781</b>	<b>11,439</b>	<b>13,625</b>	<b>20,061</b>	<b>25,113</b>	<b>33,329</b>	
Total Tax	2,252	847	4,770	2,562	4,455	5,340	6,490	9,499	
Tax Rate (%)	34.3	38.2	30.2	22.4	32.7	26.6	25.8	28.5	
Minority Interest	-231	-8	454	687	184	262	172	181	
<b>Reported PAT</b>	<b>4,548</b>	<b>1,368</b>	<b>10,557</b>	<b>8,190</b>	<b>8,986</b>	<b>14,459</b>	<b>18,451</b>	<b>23,650</b>	
<b>Adjusted PAT</b>	<b>3,265</b>	<b>870</b>	<b>9,787</b>	<b>6,923</b>	<b>8,973</b>	<b>14,459</b>	<b>18,451</b>	<b>23,650</b>	
Change (%)	38.3	-73.4	1,024.9	-29.3	29.6	61.1	27.6	28.2	
Margin (%)	2.9	0.8	6.7	4.2	4.7	6.6	7.5	8.1	

Consolidated - Balance Sheet									(INRm)
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	
Equity Share Capital	696	719	719	719	719	719	719	719	719
Total Reserves	32,695	45,306	55,733	61,253	68,635	81,404	99,014	1,21,822	
<b>Net Worth</b>	<b>33,390</b>	<b>46,025</b>	<b>56,452</b>	<b>61,971</b>	<b>69,354</b>	<b>82,123</b>	<b>99,733</b>	<b>1,22,541</b>	
Minority Interest	1,307	1,999	2,543	3,341	3,851	4,406	4,406	4,406	4,406
Total Loans	38,567	30,846	26,357	27,103	31,619	52,752	47,852	42,952	
Non-Current Lease Liabilities	18,676	12,301	13,333	14,983	19,814	24,139	24,139	24,139	
Deferred Tax Liabilities	2,447	2,354	5,215	4,303	4,389	4,449	4,449	4,449	
<b>Capital Employed</b>	<b>94,387</b>	<b>93,525</b>	<b>1,03,900</b>	<b>1,11,702</b>	<b>1,29,027</b>	<b>1,67,869</b>	<b>1,80,579</b>	<b>1,98,487</b>	
Gross Block	98,760	92,371	1,07,815	1,15,853	1,34,187	1,56,048	1,63,716	1,67,650	
Less: Accum. Deprn.	27,960	28,395	34,402	40,554	47,424	54,999	63,717	72,664	
<b>Net Fixed Assets</b>	<b>70,800</b>	<b>63,976</b>	<b>73,413</b>	<b>75,298</b>	<b>86,763</b>	<b>1,01,049</b>	<b>1,00,000</b>	<b>94,986</b>	
Goodwill on Consolidation	3,462	3,753	9,235	9,858	10,123	10,305	10,305	10,305	
Capital WIP	2,356	2,339	455	6,098	8,447	7,710	3,042	2,108	
<b>Total Investments</b>	<b>4,631</b>	<b>13,659</b>	<b>8,063</b>	<b>5,777</b>	<b>9,895</b>	<b>24,896</b>	<b>24,896</b>	<b>24,896</b>	
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>31,639</b>	<b>30,188</b>	<b>40,893</b>	<b>47,125</b>	<b>52,194</b>	<b>62,483</b>	<b>85,799</b>	<b>1,17,111</b>	
Inventory	7,378	2,495	4,318	3,902	4,598	4,808	5,398	6,305	
Account Receivables	10,272	13,311	17,676	22,342	25,149	30,161	34,153	40,175	
Cash and Bank Balance	4,668	7,244	10,359	7,758	9,338	13,602	30,495	52,099	
Loans and Advances	9,321	7,138	8,541	13,123	13,109	13,912	15,753	18,531	
<b>Curr. Liability &amp; Prov.</b>	<b>18,501</b>	<b>20,390</b>	<b>28,159</b>	<b>32,454</b>	<b>38,395</b>	<b>38,574</b>	<b>43,463</b>	<b>50,919</b>	
Account Payables	9,898	12,328	16,318	19,157	23,686	22,405	25,154	29,382	
Other Current Liabilities	7,271	6,746	10,420	11,597	12,543	13,490	15,275	17,969	
Provisions	1,331	1,316	1,421	1,701	2,166	2,679	3,034	3,569	
<b>Net Current Assets</b>	<b>13,138</b>	<b>9,798</b>	<b>12,734</b>	<b>14,671</b>	<b>13,799</b>	<b>23,909</b>	<b>42,336</b>	<b>66,191</b>	
<b>Appl. of Funds</b>	<b>94,387</b>	<b>93,525</b>	<b>1,03,900</b>	<b>1,11,702</b>	<b>1,29,027</b>	<b>1,67,869</b>	<b>1,80,578</b>	<b>1,98,487</b>	

E: MOFSL Estimates

## Financials and valuation

### Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
<b>Basic (INR)</b>								
<b>EPS</b>	<b>22.7</b>	<b>6.1</b>	<b>68.1</b>	<b>48.2</b>	<b>62.4</b>	<b>100.6</b>	<b>128.3</b>	<b>164.5</b>
Cash EPS	68.0	47.4	113.5	94.0	113.9	158.4	195.3	234.3
BV/Share	240.0	330.8	405.8	445.5	498.5	590.3	716.9	880.8
DPS	6.7	3.0	5.0	5.0	5.0	5.0	5.0	5.0
Payout (%)	22.4	31.5	8.0	10.3	9.4	5.8	4.6	3.6
<b>Valuation (x)</b>								
P/E	343.8	1,290.3	114.7	162.2	125.1	77.6	60.8	47.5
Cash P/E	114.8	164.6	68.8	83.1	68.6	49.3	40.0	33.3
P/BV	32.5	23.6	19.2	17.5	15.7	13.2	10.9	8.9
EV/Sales	10.0	10.8	7.8	6.9	6.0	5.3	4.6	3.8
EV/EBITDA	70.6	100.7	52.1	55.7	47.9	38.4	31.6	25.2
Dividend Yield (%)	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1
FCF per share	56.2	69.1	67.0	17.3	54.6	30.5	173.9	204.3
<b>Return Ratios (%)</b>								
RoE	9.8	2.2	19.1	11.7	13.7	19.1	20.3	21.3
RoCE	8.9	5.1	14.5	13.8	12.8	15.3	15.5	17.1
RoIC	8.7	4.6	14.2	12.6	11.9	14.9	16.6	20.8
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	1.1	1.1	1.4	1.4	1.4	1.4	1.5	1.7
Inventory (Days)	24	9	11	9	9	8	8	8
Debtor (Days)	33	46	44	49	48	51	51	51
Creditor (Days)	32	43	41	42	45	38	37	37
<b>Leverage Ratio (x)</b>								
Current Ratio	1.7	1.5	1.5	1.5	1.4	1.6	2.0	2.3
Interest Cover Ratio	1.8	1.3	4.2	3.8	3.8	4.9	6.1	8.4
Net Debt/Equity	0.9	0.2	0.1	0.2	0.2	0.2	-0.1	-0.3

### Consolidated - Cash Flow Statement

(**INRm**)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
OP/(Loss) before Tax	4,317	1,368	11,084	8,446	9,350	15,051	25,113	33,329
Depreciation	6,197	5,731	6,007	6,152	6,870	7,575	8,717	8,947
Interest & Finance Charges	5,155	4,274	3,786	3,808	8,949	9,848	2,198	1,850
Direct Taxes Paid	-3,061	353	-2,043	-3,820	-4,667	-4,860	-6,490	-9,499
(Inc)/Dec in WC	-703	-721	-4,630	-4,500	-1,928	-6,039	-1,534	-2,252
<b>CF from Operations</b>	<b>11,905</b>	<b>11,005</b>	<b>14,204</b>	<b>10,087</b>	<b>18,574</b>	<b>21,575</b>	<b>28,005</b>	<b>32,376</b>
Others	1,024	1,729	1,953	3,684	628	-211	0	0
<b>CF from Operating incl EO</b>	<b>12,929</b>	<b>12,734</b>	<b>16,156</b>	<b>13,771</b>	<b>19,202</b>	<b>21,364</b>	<b>28,005</b>	<b>32,376</b>
(Inc)/Dec in FA	-5,106	-2,804	-6,518	-11,285	-11,349	-16,978	-3,000	-3,000
<b>Free Cash Flow</b>	<b>7,823</b>	<b>9,930</b>	<b>9,639</b>	<b>2,485</b>	<b>7,853</b>	<b>4,386</b>	<b>25,005</b>	<b>29,376</b>
(Pur)/Sale of Investments	2,043	-6,207	-1,859	2,065	-4,416	-17,770	0	0
Others	175	288	469	515	393	942	2,268	2,322
<b>CF from Investments</b>	<b>-2,888</b>	<b>-8,723</b>	<b>-7,907</b>	<b>-8,706</b>	<b>-15,372</b>	<b>-33,806</b>	<b>-732</b>	<b>-678</b>
Issue of Shares	0	11,520	0	45	25	459	0	0
Inc/(Dec) in Debt	-571	-8,985	-2,866	688	2,246	18,525	-4,900	-4,900
Interest Paid	-5,645	-4,676	-3,764	-2,514	-3,029	-3,018	-4,466	-4,172
Dividend Paid	-1,551	-383	-433	-2,579	-2,209	-2,784	-841	-841
<b>CF from Fin. Activity</b>	<b>-9,095</b>	<b>-3,567</b>	<b>-7,677</b>	<b>-5,582</b>	<b>-3,081</b>	<b>13,168</b>	<b>-10,380</b>	<b>-10,094</b>
<b>Inc/Dec of Cash</b>	<b>946</b>	<b>444</b>	<b>572</b>	<b>-518</b>	<b>749</b>	<b>726</b>	<b>16,893</b>	<b>21,604</b>
Opening Balance	2,862	3,808	4,252	4,824	4,306	5,055	5,781	22,674
Closing Balance	3,808	4,252	4,824	4,306	5,055	5,781	22,674	44,278
Bank Balance	860	2,992	5,535	3,452	4,283	7,821	7,821	7,821
<b>Total Cash and Cash Equivalent</b>	<b>4,668</b>	<b>7,244</b>	<b>10,359</b>	<b>7,758</b>	<b>9,338</b>	<b>13,602</b>	<b>30,495</b>	<b>52,099</b>

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