

# Apollo Hospitals

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	APHS IN
Equity Shares (m)	144
M.Cap.(INRb)/(USDb)	908.3 / 10.5
52-Week Range (INR)	7545 / 5691
1, 6, 12 Rel. Per (%)	-9/1/-8
12M Avg Val (INR M)	2766

## Financials & Valuations (INR b)

Y/E March	FY25E	FY26E	FY27E
Sales	216.3	246.8	290.7
EBITDA	30.3	34.1	41.0
Adj. PAT	14.4	17.4	22.5
EBIT Margin (%)	14.0	13.8	14.1
Cons. Adj. EPS (INR)	100.3	121.0	156.8
EPS Gr. (%)	60.8	20.5	29.6
BV/Sh. (INR)	596.2	715.1	871.1

## Ratios

Net D:E	-0.1	-0.3	-0.4
RoE (%)	18.9	19.1	20.4
RoCE (%)	17.0	17.7	19.3
Payout (%)	5.8	4.8	3.7

## Valuations

P/E (x)	62.9	52.2	40.3
EV/EBITDA (x)	30.2	26.2	21.2
Div. Yield (%)	0.1	0.1	0.1
FCF Yield (%)	2.3	2.6	3.1
EV/Sales (x)	5.0	4.2	3.5

## Shareholding Pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	29.3	29.3	29.3
DII	20.2	20.2	19.1
FII	45.3	45.4	46.3
Others	5.2	5.1	5.3

FII includes depository receipts

**CMP: INR6,314** **TP: INR7,880 (+25%)** **Buy**

## Broad-based growth across segments

### GMV reset to drive profitable growth for Healthco

- Apollo Hospitals Enterprises (APHS) delivered in-line 3QFY25 performance. APHS delivered broad-based growth across hospitals, Healthco (online/offline pharmacy), as well as the Health and Lifestyle (AHLL) segment. APHS delivered healthy growth in realization per patient/number of patients treated. The GMV was stable on a sequential basis.
- We cut our earnings estimates by 4%/5% for FY26/FY27, factoring in moderation in GMV for Apollo 24/7 and an increase in opex related to the commissioning of newer hospitals. We value APHS on an SOTP basis (32x EV/EBITDA for the hospital business, 15x EV/EBITDA for retained pharmacy, 23x EV/EBITDA for AHLL, 22x EV/EBITDA for front-end Pharmacy, and 2x EV/sales for Apollo 24/7) to arrive at our TP of INR7,880.
- We remain positive on APHS, aided by 1) a steady improvement in occupancy of existing hospitals, 2) expanding total bed capacity through M&A/brownfield/greenfield routes, 3) enhancing offerings under Healthco, and 4) improving reach for the AHLL business. Accordingly, we model a 16% EBITDA CAGR over FY25-27. Reiterate BUY.

### Improved occupancy & realization and reduced opex for Apollo 24/7 lead to a 24% YoY EBITDA growth

- APHS' 3QFY25 revenue rose 13.9% YoY to INR55.3b (est. INR54.5b). Healthcare services' revenue grew 13% YoY to INR27.8b. Healthco's revenue grew 15.3% YoY to INR23.5b. AHLL revenue grew 15% YoY to INR3.9b.
- EBITDA grew 24.1% YoY to INR7.6b (in line with estimates).
- EBITDA margin for 1) Healthcare services stood at 24.1% (+30bp YoY), 2) AHLL was 8.8% (+110bp YoY), and 3) Healthco segment was 2.4% (+230bp YoY). The overall EBITDA margin expanded 110bp YoY to 13.8%.
- Adj. PAT grew 51.8% YoY to INR3.7b (our est: INR3.5b).
- ARPOB grew 8% YoY to INR60.8k, with occupancy of 68% (+200bp YoY) in 3QFY25.
- GMV for Apollo 24/7 grew 11% YoY to INR7.6b in 3QFY25.
- Max added 132 offline pharmacy stores in 3Q, bringing the total to 6,360.
- Revenue/EBITDA/PAT grew 15%/29%/64% to INR162b/INR22.5b/INR10.6b in 9MFY25.

### Highlights from the management commentary

- All the necessary regulatory approvals are in place for insurance products through Apollo 24/7. Three life insurance and three health insurance companies would be onboarded soon, and the business would be reflected from 4QFY25 onwards.
- APHS is working on the recalibrated cost structure for Apollo 24/7 and subsequently would indicate the growth prospects in this segment. INR9b-INR10b quarterly GMV would enable EBITDA to break even in Apollo 24/7.
- Pune, Kolkata, and Delhi would start in 1HFY26, followed by Gurgaon and Hyderabad in 2H. Expect Kolkata/Delhi to have an EBITDA break-even in 12M.

## Consolidated - Quarterly Earning Model

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
<b>Gross Sales</b>	<b>44,178</b>	<b>48,469</b>	<b>48,506</b>	<b>49,439</b>	<b>50,856</b>	<b>55,893</b>	<b>55,269</b>	<b>54,304</b>	<b>1,90,592</b>	<b>2,16,320</b>	<b>54,502</b>	<b>1.4%</b>
YoY Change (%)	16.4	14.0	13.8	14.9	15.1	15.3	13.9	9.8	14.7	13.5	12.4	
<b>Total Expenditure</b>	<b>39,088</b>	<b>42,194</b>	<b>42,369</b>	<b>43,034</b>	<b>44,105</b>	<b>47,738</b>	<b>47,654</b>	<b>46,538</b>	<b>1,66,685</b>	<b>1,86,035</b>	<b>46,926</b>	
<b>EBITDA</b>	<b>5,090</b>	<b>6,275</b>	<b>6,137</b>	<b>6,405</b>	<b>6,751</b>	<b>8,155</b>	<b>7,615</b>	<b>7,766</b>	<b>23,907</b>	<b>30,285</b>	<b>7,576</b>	<b>0.5%</b>
YoY Change (%)	3.7	11.0	21.4	31.2	32.6	30.0	24.1	21.2	16.6	26.7	23.4	
Margins (%)	11.5	12.9	12.7	13.0	13.3	14.6	13.8	14.3	12.5	14.0	13.9	
Depreciation	1,669	1,634	1,670	1,897	1,774	1,845	1,846	1,797	6,870	7,262	1,820	
Interest	1,062	1,113	1,126	1,193	1,164	1,175	1,098	1,118	4,494	4,555	1,120	
Other Income	282	222	278	281	372	382	638	447	1,063	1,839	350	
<b>PBT before EO expense</b>	<b>2,641</b>	<b>3,750</b>	<b>3,619</b>	<b>3,596</b>	<b>4,185</b>	<b>5,517</b>	<b>5,309</b>	<b>5,298</b>	<b>13,606</b>	<b>20,309</b>	<b>4,986</b>	<b>6.5%</b>
Extra-Ord expense/(Income)	0	-19	0	0	0	0	0	0	-19	0	0	
<b>PBT</b>	<b>2,641</b>	<b>3,769</b>	<b>3,619</b>	<b>3,596</b>	<b>4,185</b>	<b>5,517</b>	<b>5,309</b>	<b>5,298</b>	<b>13,625</b>	<b>20,309</b>	<b>4,986</b>	<b>6.5%</b>
Tax	966	1,300	1,089	1,098	1,145	1,617	1,568	1,598	4,455	5,928	1,466	
Rate (%)	36.6	34.5	30.1	30.5	27.4	29.3	29.5	30.2	32.7	29.2	29.4	
MI & Profit/Loss of Asso. Cos.	9	140	77	-40	-12	112	18	75	186	193	68	
<b>Reported PAT</b>	<b>1,666</b>	<b>2,329</b>	<b>2,453</b>	<b>2,538</b>	<b>3,052</b>	<b>3,788</b>	<b>3,723</b>	<b>3,624</b>	<b>8,984</b>	<b>14,187</b>	<b>3,452</b>	<b>7.9%</b>
<b>Adj PAT</b>	<b>1,666</b>	<b>2,317</b>	<b>2,453</b>	<b>2,538</b>	<b>3,052</b>	<b>3,788</b>	<b>3,723</b>	<b>3,624</b>	<b>8,973</b>	<b>14,187</b>	<b>3,452</b>	<b>7.9%</b>
YoY Change (%)	2.6	3.0	59.8	47.1	83.2	63.5	51.8	42.8	29.6	58.1	40.7	
Margins (%)	3.8	4.8	5.1	5.1	6.0	6.8	6.7	6.7	4.7	6.6	6.3	
<b>EPS</b>	<b>11.6</b>	<b>16.1</b>	<b>17.1</b>	<b>17.7</b>	<b>21.2</b>	<b>26.3</b>	<b>25.9</b>	<b>25.2</b>	<b>62.4</b>	<b>100.3</b>	<b>24.0</b>	

E: MOFSL Estimates

## Key performance Indicators (Consolidated)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	3QE	vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE					
<b>Hospital Revenue (INRm)</b>	<b>22,937</b>	<b>25,472</b>	<b>24,636</b>	<b>25,591</b>	<b>26,373</b>	<b>29,032</b>	<b>27,850</b>	<b>28,290</b>	<b>98,636</b>	<b>1,11,545</b>	<b>27,804</b>	<b>0.2%</b>	
YoY Growth (%)	13.4	12.5	12.3	16.6	15.0	14.0	13.0	10.5	13.7	13.1	12.9		
<b>Healthco (INRm)</b>	<b>18,054</b>	<b>19,454</b>	<b>20,493</b>	<b>20,267</b>	<b>20,821</b>	<b>22,822</b>	<b>23,524</b>	<b>22,205</b>	<b>78,269</b>	<b>89,372</b>	<b>22,850</b>	<b>3.0%</b>	
YoY Growth (%)	22.1	16.6	16.6	12.6	15.3	17.3	14.8	9.6	16.7	14.2	11.5		
<b>AHLL Revenue (INRm)</b>	<b>3,187</b>	<b>3,542</b>	<b>3,377</b>	<b>3,547</b>	<b>3,661</b>	<b>4,039</b>	<b>3,895</b>	<b>3,809</b>	<b>13,653</b>	<b>15,403</b>	<b>3,849</b>	<b>1.2%</b>	
YoY Growth (%)	8.8	11.3	8.4	15.0	14.9	14.0	15.3	7.4	10.9	12.8	14.0		
<b>Cost Break-up</b>													
Gross Margin (%)	48.7	49.3	47.8	48.5	48.4	48.9	47.5	49.6	48.6	48.6	48.7		
EBITDA Margin (%)	11.5	12.9	12.7	13.0	13.3	14.6	13.8	14.3	12.5	14.0	13.9		
PAT Margin (%)	3.8	4.8	5.1	5.1	6.0	6.8	6.7	6.7	4.7	6.7	6.3		



## Highlights from the management commentary

- About 50% of the bed expansion projects will be commercialized in FY26, and the remaining is likely to come in FY27. Pune, Kolkata, and Delhi would start in 1HFY26, followed by Gurgaon and Hyderabad in 2HFY26. Expect Kolkata/Delhi to have an EBITDA break-even within 12M.
- APHS expects 15-18% growth in AHLL, primarily driven by diagnostic growth with ~200bp EBITDA margin growth annually.
- APHS expects occupancy levels to rise to 72-73% in FY26/FY27 and anticipates 6-7% ARPOB growth moving forward
- International (ex-Bangladesh) revenue grew 19% YoY. The impact of revenue from Bangladesh was 1.5%. APHS, however, expects growth going forward with patients emerging from the Middle East, Africa, Indonesia, and Iraq.
- Pharma AOV in 3QFY25 stood at INR1,001.
- The west cluster has seen some moderation in CGHS patient flow in Ahmedabad. This will be offset by better execution at the Navi Mumbai Hospital.

## Other operational highlights

### Hospitals segment (50% of sales)

- Hospital EBITDA grew 14% YoY to INR6.7b. EBITDA margin improved 30bp YoY to 24.1%.
- ARPOB grew 8% YoY to INR 60,839. Effectively, the volume of patients treated grew ~5% YoY.
- Occupancy stood at 68% vs. 66% in 2QFY24.
- ALOS was flat at 3.3 days.

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

- Healthco posted EBITDA of INR566m vs. INR521m in 2QFY25.
- Platform GMV grew 11% YoY to INR7.6b (stable QoQ).
- Opened net 132 stores during the quarter, taking the total store count to 6,360. It added 330 stores on a YTD basis.

### AHLL (7% of sales)

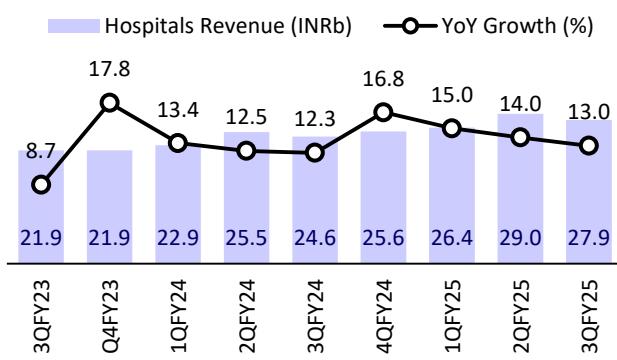
- Revenue/EBITDA grew by 15.3%/32% YoY to INR3.9b/INR342m.
- Revenue of primary care grew 17% YoY to INR1.1b.
- Revenue of specialty care rose 13% YoY to INR1.7b.
- The number of network collection centers increased 180 YoY to 2,221 centers.

### Capex plans

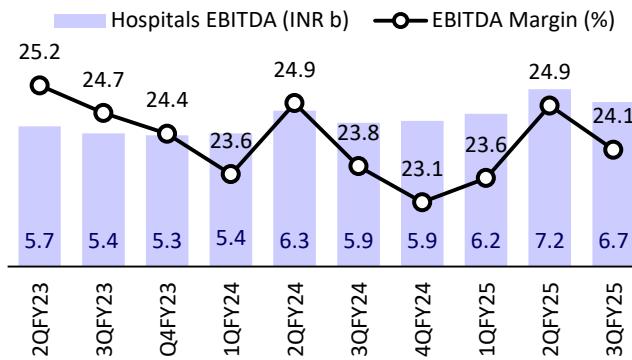
- AHEL plans to add 3,512 beds over four years across 11 locations in India.
- It entered into a definitive agreement to build and operate a 500-bed hospital in Worli, Mumbai.
- It plans to add 200 beds to its Lucknow facility to a total bed capacity of 500 beds.

## Key exhibits

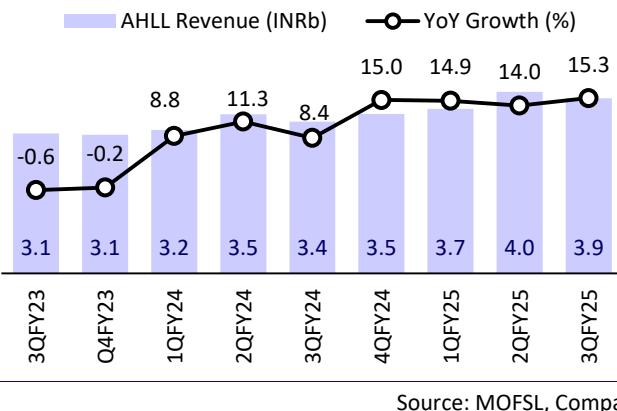
**Exhibit 1: Revenue for hospitals grew 13% YoY in 3QFY25**



**Exhibit 2: Hospitals' EBITDA margin expanded 30bp YoY**

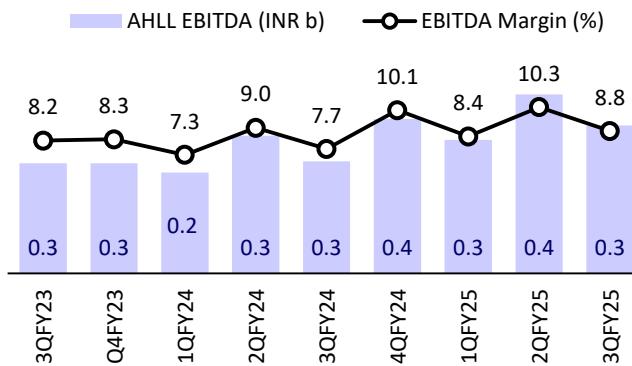


**Exhibit 3: AHLL – revenue grew 15.3% YoY in 3QFY25**



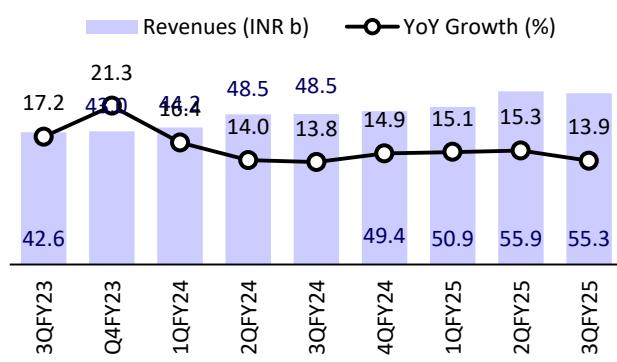
Source: MOFSL, Company

**Exhibit 4: AHLL – EBITDA margin expanded 110bp YoY**



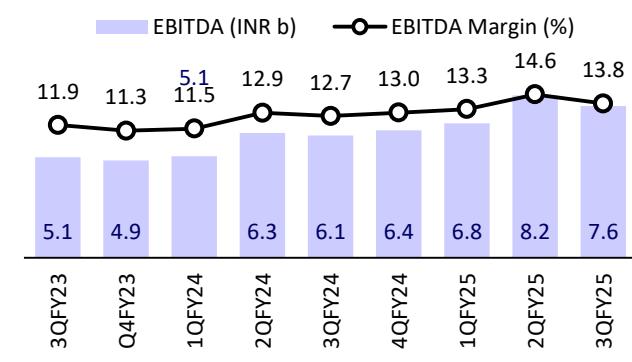
Source: MOFSL, Company

**Exhibit 5: AHEL – overall revenue grew 14% YoY in 3QFY25**



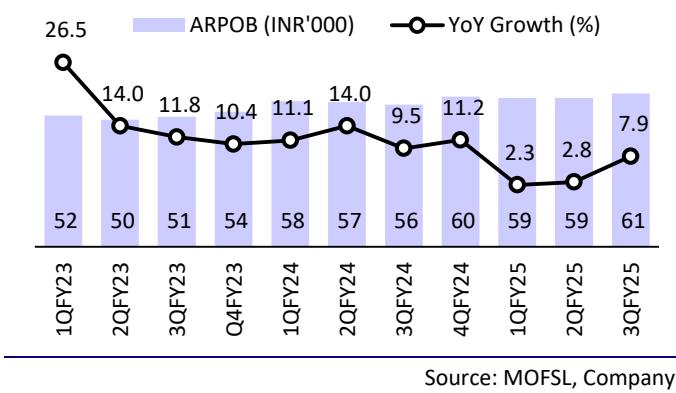
Source: MOFSL, Company

**Exhibit 6: AHEL – overall EBITDA margin up 110bp YoY**



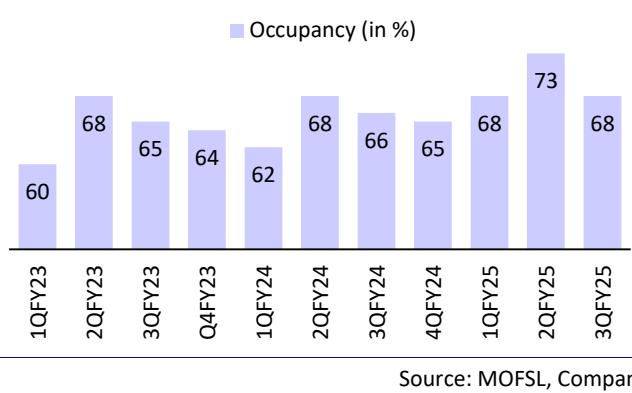
Source: MOFSL, Company

Exhibit 7: ARPOB grew 8% YoY in 3QFY25



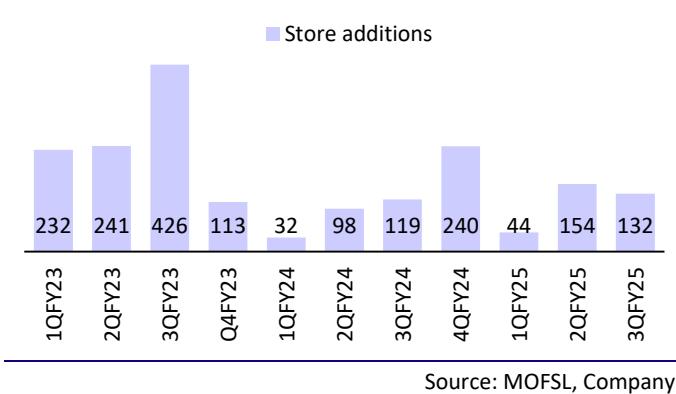
Source: MOFSL, Company

Exhibit 8: Occupancy increased 200bp YoY in 3QFY25



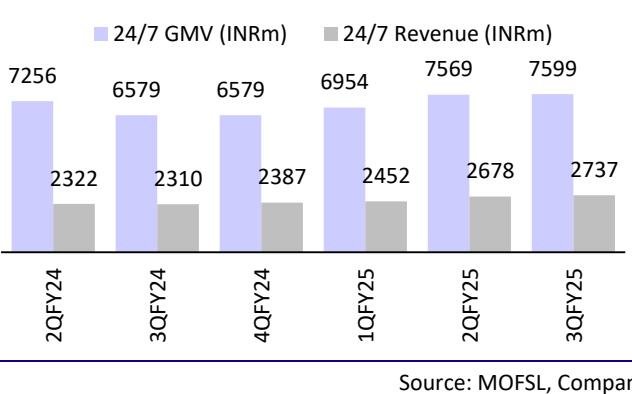
Source: MOFSL, Company

Exhibit 9: 334 stores added in FY25YTD



Source: MOFSL, Company

Exhibit 10: GMV stable QoQ



Source: MOFSL, Company

## Expanding pan-India reach in all segments to drive growth

### Hospitals: Adding beds to drive the next leg of growth

- In 9MFY25, the hospital segment's revenue grew 14% YoY to INR83.3b. This growth was led by ~400bp YoY growth in occupancy to 69%, coupled with 8% YoY growth in IP volumes and 7% YoY growth in ARPP to INR163k.
- ARPOB rose 5% YoY to INR59.6k, led by a higher share of self-pay/insurance and a strong contribution from the chronic therapy treatment.
- CONGO – Cardiac, Onco, Neuro, Nephro, Gastro, and Ortho contributed ~61% to the total IP revenue.
- Additionally, over the next 3-4 years, AHEL has plans to add 3,512 beds for a total capex outlay of INR61b (of which INR18b has already been incurred).
- We expect a 15% sales CAGR in the hospitals segment, reaching INR147.7b over FY25-27.

### Apollo Healthco: A calibrated approach towards profitable growth

- During 9MFY25, offline pharmacy revenue grew 15.4% YoY to INR59.3b. Moreover, online pharmacy revenue jumped 19% YoY to INR7.9b.
- AHEL added 330 stores in 9MFY25, bringing the total count to 6,360.
- Interestingly, the GMV of 24/7 increased 7% YoY to INR22.1b in 9MFY25.
- We expect an 18% sales CAGR in the back-end pharmacy segment, reaching INR123.5b over FY25-27.

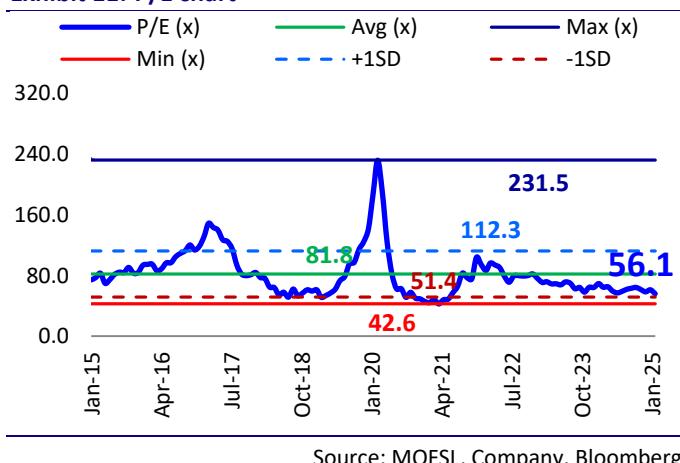
### AHLL: Strengthening pan-India presence in Diagnostics and Specialty Care to propel growth

- In 9MFY25, AHLL sales grew 14.7% YoY to INR11.6b, primarily attributed to the maturing network. The diagnostics segment grew 8.4% YoY, owing to a rise in productivity. Primary/Specialty care segments witnessed 15%/17% YoY growth due to the redesigning of health check plans and an increase in footfalls.
- The margin profile of diagnostic/primary/specialty care improved 240bp/460bp/-300bp to 12.2%/20.0%/9.2% in 9MFY25.
- In Specialty Care, the Cradle/Fertility segments grew 15%/19% YoY in 9MFY25. The growth was led by improved footfalls and improved operating parameters.
- Spectra segment grew 18% YoY in 9MFY25, driven by the operationalization of renovated centers in Delhi.
- Accordingly, we project a CAGR of 12%/20% in sales/EBITDA in this segment over FY25-27.

### Reiterate BUY

- We cut our earnings estimates by 4%/5% for FY26/FY27, factoring in moderation in GMV for Apollo 24/7 and an increase in opex related to the commissioning of newer hospitals. We value APHS on an SOTP basis (32x EV/EBITDA for the hospital business, 15x EV/EBITDA for retained pharmacy, 23x EV/EBITDA for AHLL, 22x EV/EBITDA for front-end Pharmacy, and 2x EV/sales for Apollo 24/7) to arrive at our TP of INR7,880.
- We remain positive on APHS, aided by 1) a steady improvement in occupancy of existing hospitals, 2) expanding total bed capacity through M&A/brownfield/greenfield routes, 3) enhancing offerings under Healthco, and 4) improving reach for the AHLL business. Accordingly, we model a 16% EBITDA CAGR over FY25-27. **Reiterate BUY.**

**Exhibit 11: P/E chart**

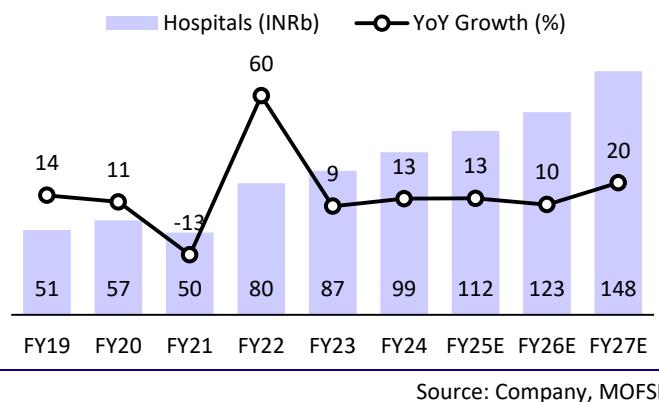


**Exhibit 12: EV/EBITDA chart**



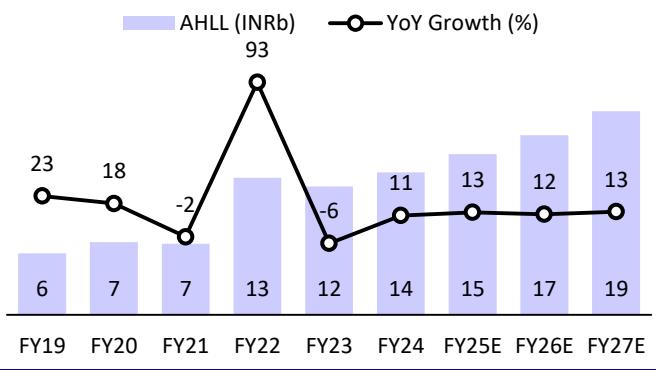
## Story in charts

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



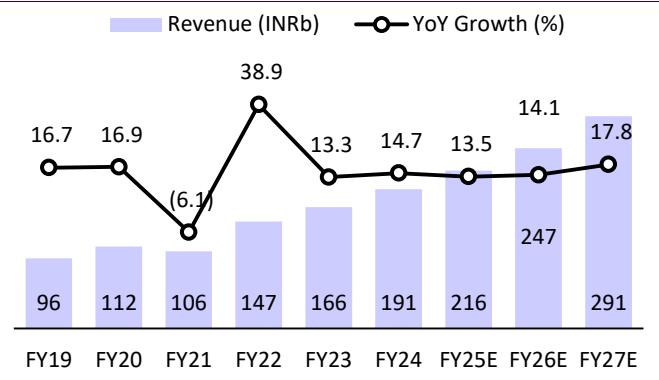
Source: Company, MOFSL

**Exhibit 14: Expect a 12% sales CAGR over FY25-27 in the AHLL segment**



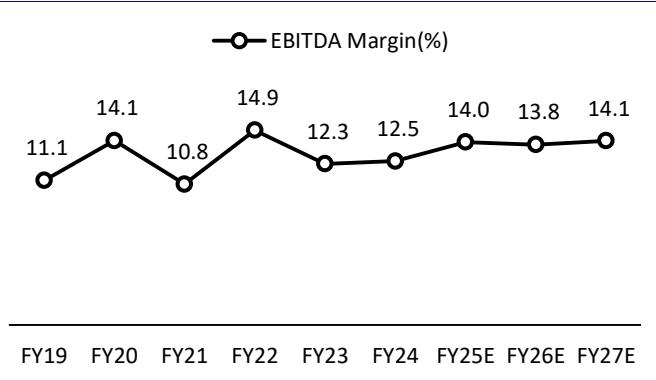
Source: Company, MOFSL

**Exhibit 15: Expect 14% overall revenue CAGR over FY25-27**



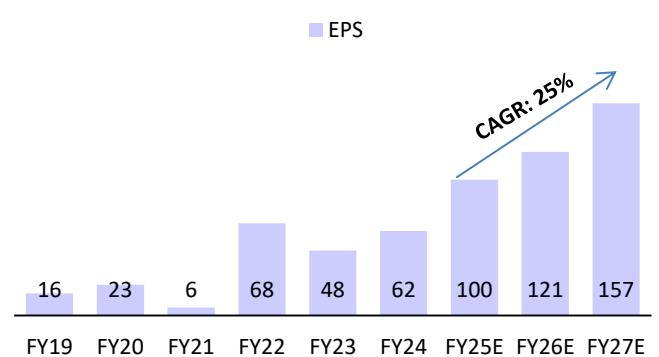
Source: Company, MOFSL

**Exhibit 16: Expect overall EBITDA margin to remain flat over FY25-27**



Source: Company, MOFSL

**Exhibit 17: Expect 30% EPS CAGR over FY25-27**



Source: Company, MOFSL

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



Source: Company, MOFSL

## Financials and valuation

Consolidated - Income Statement									(INRm)
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
<b>Total Income from Operations</b>	<b>96,174</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>2,16,320</b>	<b>2,46,831</b>	<b>2,90,703</b>
Change (%)	16.7	16.9	-6.1	38.9	13.3	14.7	13.5	14.1	17.8
<b>Total Expenditure</b>	<b>85,538</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>1,86,035</b>	<b>2,12,768</b>	<b>2,49,714</b>
% of Sales	88.9	85.9	89.2	85.1	87.7	87.5	86.0	86.2	85.9
<b>EBITDA</b>	<b>10,637</b>	<b>15,872</b>	<b>11,374</b>	<b>21,851</b>	<b>20,496</b>	<b>23,907</b>	<b>30,285</b>	<b>34,063</b>	<b>40,989</b>
Margin (%)	11.1	14.1	10.8	14.9	12.3	12.5	14.0	13.8	14.1
Depreciation	3,955	6,197	5,731	6,007	6,152	6,870	7,262	7,585	7,775
<b>EBIT</b>	<b>6,681</b>	<b>9,675</b>	<b>5,643</b>	<b>15,844</b>	<b>14,343</b>	<b>17,037</b>	<b>23,023</b>	<b>26,478</b>	<b>33,214</b>
Int. and Finance Charges	3,270	5,328	4,492	3,786	3,808	4,494	4,555	3,967	3,135
Other Income	324	270	450	781	903	1,063	1,839	2,098	1,744
<b>PBT bef. EO Exp.</b>	<b>3,736</b>	<b>4,617</b>	<b>1,601</b>	<b>12,839</b>	<b>11,439</b>	<b>13,606</b>	<b>20,307</b>	<b>24,609</b>	<b>31,823</b>
EO Items	0	1,952	614	2,941	0	19	0	0	0
<b>PBT after EO Exp.</b>	<b>3,736</b>	<b>6,569</b>	<b>2,215</b>	<b>15,781</b>	<b>11,439</b>	<b>13,625</b>	<b>20,307</b>	<b>24,609</b>	<b>31,823</b>
Total Tax	1,734	2,252	847	4,770	2,562	4,455	5,686	7,013	9,070
Tax Rate (%)	46.4	34.3	38.2	30.2	22.4	32.7	28.0	28.5	28.5
Minority Interest	-359	-231	-8	454	687	184	193	203	213
<b>Reported PAT</b>	<b>2,361</b>	<b>4,548</b>	<b>1,368</b>	<b>10,557</b>	<b>8,190</b>	<b>8,986</b>	<b>14,427</b>	<b>17,392</b>	<b>22,541</b>
<b>Adjusted PAT</b>	<b>2,361</b>	<b>3,265</b>	<b>870</b>	<b>9,787</b>	<b>6,923</b>	<b>8,973</b>	<b>14,427</b>	<b>17,392</b>	<b>22,541</b>
Change (%)	101.5	38.3	-73.4	1,024.9	-29.3	29.6	60.8	20.5	29.6
Margin (%)	2.5	2.9	0.8	6.7	4.2	4.7	6.7	7.0	7.8

Consolidated - Balance Sheet									(INRm)
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Equity Share Capital	696	696	719	719	719	719	719	719	719
Total Reserves	32,639	32,695	45,306	55,733	61,253	68,635	82,221	98,773	1,20,472
<b>Net Worth</b>	<b>33,335</b>	<b>33,390</b>	<b>46,025</b>	<b>56,452</b>	<b>61,971</b>	<b>69,354</b>	<b>82,940</b>	<b>99,492</b>	<b>1,21,191</b>
Minority Interest	1,355	1,307	1,999	2,543	3,341	3,851	3,851	3,851	3,851
Total Loans	41,534	38,567	30,846	26,357	27,103	31,619	26,719	21,819	16,919
Non-Current Lease Liabilities	0	18,676	12,301	13,333	14,983	19,814	19,814	19,814	19,814
Deferred Tax Liabilities	2,975	2,447	2,354	5,215	4,303	4,389	4,389	4,389	4,389
<b>Capital Employed</b>	<b>79,198</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>1,37,713</b>	<b>1,49,365</b>	<b>1,66,164</b>
Gross Block	62,594	98,760	92,371	1,07,815	1,15,853	1,34,187	1,42,445	1,46,497	1,49,707
Less: Accum. Deprn.	16,240	27,960	28,395	34,402	40,554	47,424	54,686	62,271	70,046
<b>Net Fixed Assets</b>	<b>46,354</b>	<b>70,800</b>	<b>63,976</b>	<b>73,413</b>	<b>75,298</b>	<b>86,763</b>	<b>87,759</b>	<b>84,226</b>	<b>79,661</b>
Goodwill on Consolidation	3,462	3,462	3,753	9,235	9,858	10,123	10,123	10,123	10,123
Capital WIP	8,218	2,356	2,339	455	6,098	8,447	3,189	2,138	1,928
<b>Total Investments</b>	<b>4,617</b>	<b>4,631</b>	<b>13,659</b>	<b>8,063</b>	<b>5,777</b>	<b>9,895</b>	<b>9,895</b>	<b>9,895</b>	<b>9,895</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>29,007</b>	<b>31,639</b>	<b>30,188</b>	<b>40,893</b>	<b>47,125</b>	<b>52,194</b>	<b>69,877</b>	<b>92,267</b>	<b>1,22,477</b>
Inventory	5,848	7,378	2,495	4,318	3,902	4,598	5,132	5,869	6,888
Account Receivables	10,232	10,272	13,311	17,676	22,342	25,149	28,544	32,570	38,359
Cash and Bank Balance	3,470	4,668	7,244	10,359	7,758	9,338	21,323	36,850	57,235
Loans and Advances	9,457	9,321	7,138	8,541	13,123	13,109	14,879	16,977	19,995
<b>Curr. Liability &amp; Prov.</b>	<b>12,459</b>	<b>18,501</b>	<b>20,390</b>	<b>28,159</b>	<b>32,454</b>	<b>38,395</b>	<b>43,130</b>	<b>49,284</b>	<b>57,920</b>
Account Payables	8,351	9,898	12,328	16,318	19,157	23,686	26,436	30,234	35,484
Other Current Liabilities	2,961	7,271	6,746	10,420	11,597	12,543	14,236	16,244	19,131
Provisions	1,147	1,331	1,316	1,421	1,701	2,166	2,458	2,805	3,304
<b>Net Current Assets</b>	<b>16,548</b>	<b>13,138</b>	<b>9,798</b>	<b>12,734</b>	<b>14,671</b>	<b>13,799</b>	<b>26,747</b>	<b>42,983</b>	<b>64,558</b>
<b>Appl. of Funds</b>	<b>79,198</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>1,37,713</b>	<b>1,49,365</b>	<b>1,66,164</b>

## Financials and valuation

### Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
<b>Basic (INR)</b>									
EPS	<b>16.4</b>	<b>22.7</b>	<b>6.1</b>	<b>68.1</b>	<b>48.2</b>	<b>62.4</b>	<b>100.3</b>	<b>121.0</b>	<b>156.8</b>
Cash EPS	45.4	68.0	47.4	113.5	94.0	113.9	155.9	179.5	217.9
BV/Share	239.6	240.0	330.8	405.8	445.5	498.5	596.2	715.1	871.1
DPS	6.0	6.7	3.0	5.0	5.0	5.0	5.0	5.0	5.0
Payout (%)	42.6	22.4	31.5	8.0	10.3	9.4	5.8	4.8	3.7
<b>Valuation (x)</b>									
P/E	384.6	278.0	1,043.4	92.8	131.1	101.2	62.9	52.2	40.3
Cash P/E	139.1	92.8	133.1	55.6	67.2	55.4	40.5	35.2	29.0
P/BV	26.4	26.3	19.1	15.6	14.2	12.7	10.6	8.8	7.2
EV/Sales	9.5	8.1	8.8	6.3	5.6	4.9	4.2	3.6	3.0
EV/EBITDA	86.1	57.5	81.8	42.3	45.2	38.9	30.2	26.2	21.2
Dividend Yield (%)	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1
FCF per share	16.7	56.2	69.1	67.0	17.3	54.6	143.5	162.3	192.9
<b>Return Ratios (%)</b>									
RoE	7.2	9.8	2.2	19.1	11.7	13.7	18.9	19.1	20.4
RoCE	5.1	8.9	5.1	14.5	13.8	12.8	17.0	17.7	19.3
RoIC	5.8	8.7	4.6	14.2	12.6	11.9	16.2	18.6	24.0
<b>Working Capital Ratios</b>									
Fixed Asset Turnover (x)	1.5	1.1	1.1	1.4	1.4	1.4	1.5	1.7	1.9
Inventory (Days)	22	24	9	11	9	9	9	9	9
Debtor (Days)	39	33	46	44	49	48	48	48	48
Creditor (Days)	32	32	43	41	42	45	45	45	45
<b>Leverage Ratio (x)</b>									
Current Ratio	2.3	1.7	1.5	1.5	1.5	1.4	1.6	1.9	2.1
Interest Cover Ratio	2.0	1.8	1.3	4.2	3.8	3.8	5.1	6.7	10.6
Net Debt/Equity	1.0	0.9	0.2	0.1	0.2	0.2	-0.1	-0.3	-0.4

### Consolidated - Cash Flow Statement

(INRm)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
OP/(Loss) before Tax	2,002	4,317	1,368	11,084	8,446	9,350	20,307	24,609	31,823
Depreciation	3,955	6,197	5,731	6,007	6,152	6,870	7,262	7,585	7,775
Interest & Finance Charges	3,125	5,155	4,274	3,786	3,808	8,949	2,717	1,869	1,390
Direct Taxes Paid	-1,924	-3,061	353	-2,043	-3,820	-4,667	-5,686	-7,013	-9,070
(Inc)/Dec in WC	-458	-703	-721	-4,630	-4,500	-1,928	-963	-708	-1,190
<b>CF from Operations</b>	<b>6,700</b>	<b>11,905</b>	<b>11,005</b>	<b>14,204</b>	<b>10,087</b>	<b>18,574</b>	<b>23,636</b>	<b>26,341</b>	<b>30,730</b>
Others	2,350	1,024	1,729	1,953	3,684	628	0	0	0
<b>CF from Operating incl EO</b>	<b>9,050</b>	<b>12,929</b>	<b>12,734</b>	<b>16,156</b>	<b>13,771</b>	<b>19,202</b>	<b>23,636</b>	<b>26,341</b>	<b>30,730</b>
(Inc)/Dec in FA	-6,720	-5,106	-2,804	-6,518	-11,285	-11,349	-3,000	-3,000	-3,000
<b>Free Cash Flow</b>	<b>2,329</b>	<b>7,823</b>	<b>9,930</b>	<b>9,639</b>	<b>2,485</b>	<b>7,853</b>	<b>20,636</b>	<b>23,341</b>	<b>27,730</b>
(Pur)/Sale of Investments	376	2,043	-6,207	-1,859	2,065	-4,416	0	0	0
Others	-761	175	288	469	515	393	1,839	2,098	1,744
<b>CF from Investments</b>	<b>-7,106</b>	<b>-2,888</b>	<b>-8,723</b>	<b>-7,907</b>	<b>-8,706</b>	<b>-15,372</b>	<b>-1,161</b>	<b>-902</b>	<b>-1,256</b>
Issue of Shares	0	0	11,520	0	45	25	0	0	0
Inc/(Dec) in Debt	0	-571	-8,985	-2,866	688	2,246	-4,900	-4,900	-4,900
Interest Paid	-3,620	-5,645	-4,676	-3,764	-2,514	-3,029	-4,555	-3,967	-3,135
Dividend Paid	-837	-1,551	-383	-433	-2,579	-2,209	-841	-841	-841
<b>CF from Fin. Activity</b>	<b>-2,145</b>	<b>-9,095</b>	<b>-3,567</b>	<b>-7,677</b>	<b>-5,582</b>	<b>-3,081</b>	<b>-10,490</b>	<b>-9,911</b>	<b>-9,089</b>
<b>Inc/Dec of Cash</b>	<b>-201</b>	<b>946</b>	<b>444</b>	<b>572</b>	<b>-518</b>	<b>749</b>	<b>11,985</b>	<b>15,527</b>	<b>20,385</b>
Opening Balance	3,064	2,862	3,808	4,252	4,824	4,306	5,055	17,040	32,567
Closing Balance	2,863	3,808	4,252	4,824	4,306	5,055	17,040	32,567	52,952
Bank Balance	606	860	2,992	5,535	3,452	4,283	4,283	4,283	4,283
<b>Total Cash and Cash Equivalent</b>	<b>3,470</b>	<b>4,668</b>	<b>7,244</b>	<b>10,359</b>	<b>7,758</b>	<b>9,338</b>	<b>21,323</b>	<b>36,850</b>	<b>57,235</b>

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