

# Apollo Hospitals Enterprise

India | Healthcare | Result Update | Rating Upgrade



## Minor miss; upgrade on valuation

11 February 2025

Apollo Hospitals Enterprise's (APHS IN) Q3FY25 revenue was in line, but EBITDA came in 7% below our expectations due to a lower margin. PAT was just 2% below our estimates, helped by higher other income. The margin was sub-par, mainly due to 100bps QoQ decline in EBITDA margin (adjusted for 24/7 expense) for the Pharmacy business (Health Co). Growth and margins in the Hospitals (HSG) and the Health & Lifestyle (AHL) businesses came in broadly in line with our expectations. We continue to expect steady performance. We lower our FY25E core EPS by 1% but raise our FY26E and FY27E core EPS by 1-3%. After the recent correction in the stock price, we find valuation more palatable. Upgrade to Accumulate from Reduce but with TP lowered to INR 6,979.

**Hospitals segment – Mixed performance:** Revenue for the Hospitals segment grew at 13% YoY, marginally below our estimate. Occupancy in Tamil Nadu was down YoY, partly due to reduced flow of patients from Bangladesh given the geopolitical situation. Strong growth continued in Karnataka and Andhra Pradesh/Telangana (revenue up by 17% and 24% YoY, respectively), driven primarily by higher occupancy. Going ahead, we expect volume growth to moderate and growth to be more balanced between volume and ARPOB. We project 9.4% revenue growth from existing beds. New bed additions could add 100-150bps to growth.

**Health Co – Margin down QoQ:** EBITDA margin for the Pharmacy business (excluding 'Apollo 24/7 expense) was down 100bps QoQ – we were expecting an improvement. Including 'Apollo 24/7' expense, EBITDA margin was in line with that in Q2. We continue to project steady margin improvement in this business. Together with lower expenses for Apollo 24/7, this should help the overall margin of Health Co to expand to 5% in FY26E, in our estimate.

**AHLL – Increased focus on profitability:** The AHLL business delivered a good Q3, with 15% topline growth and 110bps EBITDA margin expansion YoY. APHS has been focusing on the profitability of the business for the past few quarters. Now with improving profitability, the company has started adding more centers.

**Upgrade to Accumulate with lower TP of INR 6,979:** We lower our FY25E core EPS by 1% but raise our FY26E and FY27E core EPS by 1-3%. APHS trades at 50.9x FY26E core P/E and 25.5x FY26E EV/EBITDA. We lower our TP from INR 7,271 to INR 6,979, which is 52x FY27E core EPS plus cash per share (25.3x FY27E EV/EBITDA). Increasing competition in the space calls for slightly lower multiples. After the recent correction in the stock price, we find valuation more palatable. So, we upgrade APHS to **Accumulate** from Reduce.

Increased competition in the Hospitals business and slower ramp-up in the profitability of the Pharmacy business (Health Co) are key risks.

### Key Financials

YE March	FY23	FY24	FY25E	FY26E	FY27E
Revenue (INR mn)	166,125	190,592	217,665	242,306	272,033
YoY (%)	13.3	14.7	14.2	11.3	12.3
EBITDA (INR mn)	20,496	23,907	30,867	36,529	39,441
EBITDA margin (%)	12.3	12.5	14.2	15.1	14.5
Adj PAT (INR mn)	8,191	8,967	14,369	19,003	20,360
YoY (%)	7.6	9.5	60.2	32.2	7.1
Fully DEPS (INR)	56.6	61.9	99.2	131.2	140.6
RoE (%)	13.9	13.7	19.6	18.8	16.9
RoCE (%)	16.8	18.2	22.3	25.4	24.0
P/E (x)	111.6	102.0	63.7	48.1	44.9
EV/EBITDA (x)	45.5	39.0	30.2	25.5	23.6

Note: Pricing as on 11 February 2025; Source: Company, Elara Securities Estimate

Rating: **Accumulate**

Target Price: **INR 6,979**

Upside: **10%**

CMP: **INR 6,317**

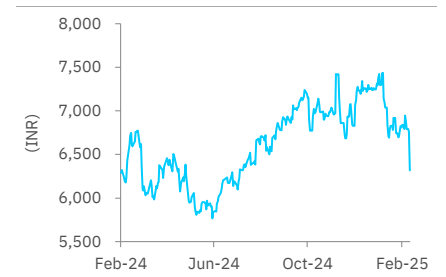
As on 11 February 2025

### Key data

Bloomberg	APHS IN
Reuters Code	APLH. NS
Shares outstanding (mn)	144
Market cap (INR bn/USD mn)	908/10462
Enterprise Value (INR bn/USD mn)	957/11023
Avg daily volume 3M (INR mn/USD mn)	2426/28
52 week high/low	7545/5691
Free float (%)	71

Note: as on 11 February 2025; Source: Bloomberg

### Price chart



Source: Bloomberg

Shareholding (%)	Q4	Q1	Q2	Q3
	FY24	FY25	FY25	FY25
Promoter	29.3	29.3	29.3	29.3
% Pledged	16.1	16.1	14.0	13.5
FII	45.6	43.9	45.4	45.3
DII	20.0	21.6	20.3	20.3
Others	5.1	5.2	5.0	5.1

Source: BSE

Price performance (%)	3M	6M	12M
Nifty	(4.4)	(5.3)	5.9
Apollo Hospitals Enterprise	(11.7)	(4.1)	(1.9)
NSE Mid-cap	(8.9)	(11.0)	4.1
NSE Small-cap	(11.8)	(12.7)	(1.2)

### Dr Bino Pathiparampil

Healthcare, Pharmaceuticals, Strategy  
+91 22 6164 8572  
bino.pathiparampil@elaracapital.com

Associates  
Kashish Thakur  
Runit Kapoor



## Financials (YE March)

<b>Income Statement (INR mn)</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25E</b>	<b>FY26E</b>	<b>FY27E</b>
Net Revenues	166,125	190,592	217,665	242,306	272,033
<b>EBITDA</b>	<b>20,496</b>	<b>23,907</b>	<b>30,867</b>	<b>36,529</b>	<b>39,441</b>
Add:- Non operating Income	903	1,063	1,742	1,742	1,742
OPBIDTA	21,400	24,970	32,609	38,271	41,183
Less :- Depreciation & Amortization	6,152	6,870	7,452	8,233	9,599
<b>EBIT</b>	<b>15,247</b>	<b>18,100</b>	<b>25,157</b>	<b>30,038</b>	<b>31,584</b>
Less:- Interest Expenses	3,808	4,494	4,557	2,848	2,445
<b>PBT</b>	<b>11,439</b>	<b>13,606</b>	<b>20,600</b>	<b>27,189</b>	<b>29,139</b>
Less :- Taxes	2,562	4,455	6,063	8,002	8,576
Add/Less: - Extra-ordinaries	-	19	-	-	-
Add/Less: - Minority Interest	(687)	(184)	(168)	(185)	(203)
<b>Reported PAT</b>	<b>8,191</b>	<b>8,986</b>	<b>14,369</b>	<b>19,003</b>	<b>20,360</b>
<b>Adjusted PAT</b>	<b>8,191</b>	<b>8,967</b>	<b>14,369</b>	<b>19,003</b>	<b>20,360</b>
<b>Balance Sheet (INR mn)</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25E</b>	<b>FY26E</b>	<b>FY27E</b>
Shareholder's Equity	61,971	69,354	81,255	98,779	117,497
Minority Interests	3,341	3,851	20,090	21,700	21,903
Borrowings	28,341	31,619	10,134	3,614	4,182
Other Non-current Liabilities	26,341	25,325	25,325	25,325	25,325
<b>Total Liabilities</b>	<b>119,994</b>	<b>130,149</b>	<b>136,804</b>	<b>149,418</b>	<b>168,907</b>
Net Fixed Assets	80,378	93,886	100,424	106,838	112,659
Intangibles and Goodwill	10,917	11,481	11,481	11,481	11,481
Investments	2,815	3,021	3,021	3,021	3,021
Cash and Cash Equivalents	10,680	16,178	10,601	15,820	29,070
Net Working Capital	8,408	(763)	4,931	5,912	6,331
Other Non-current Assets	6,796	6,346	6,346	6,346	6,346
<b>Total Assets</b>	<b>119,994</b>	<b>130,149</b>	<b>136,804</b>	<b>149,418</b>	<b>168,907</b>
<b>Cash Flow Statement (INR mn)</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25E</b>	<b>FY26E</b>	<b>FY27E</b>
Cash profit adjusted for non-cash items	15,017	21,130	21,480	24,861	26,659
Add/Less : Working Capital Changes	(4,500)	(1,928)	(5,694)	(981)	(419)
Operating Cash Flow	10,518	19,202	15,786	23,880	26,239
Less:- Capex	(11,245)	(11,349)	(12,500)	(13,000)	(13,500)
Free Cash Flow	(727)	7,853	3,286	10,880	12,739
Financing Cash Flow	(3,634)	(2,318)	(24,934)	(7,086)	510
Investing Cash Flow	(331)	(37)	16,071	1,425	-
<b>Net change in Cash</b>	<b>(4,692)</b>	<b>5,498</b>	<b>(5,577)</b>	<b>5,219</b>	<b>13,250</b>
<b>Ratio Analysis</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25E</b>	<b>FY26E</b>	<b>FY27E</b>
<b>Income Statement Ratios (%)</b>					
Revenue Growth	13.3	14.7	14.2	11.3	12.3
EBITDA Growth	(5.6)	15.0	26.2	16.5	7.2
PAT Growth	5.1	10.1	59.2	35.3	7.6
EBITDA Margin	12.3	12.5	14.2	15.1	14.5
Net Margin	4.9	4.7	6.6	7.8	7.5
<b>Return &amp; Liquidity Ratios</b>					
Net Debt/Equity (x)	0.3	0.2	(0.0)	(0.1)	(0.2)
ROE (%)	13.9	13.7	19.6	18.8	16.9
ROCE (%)	16.8	18.2	22.3	25.4	24.0
<b>Per Share data &amp; Valuation Ratios</b>					
Diluted EPS (INR/Share)	56.6	61.9	99.2	131.2	140.6
EPS Growth (%)	5.1	10.1	59.2	35.3	7.6
DPS (INR/Share)	15.0	16.0	9.0	10.0	10.0
P/E Ratio (x)	111.6	102.0	63.7	48.1	44.9
EV/EBITDA (x)	45.5	39.0	30.2	25.5	23.6
EV/Sales (x)	5.6	4.9	4.3	3.8	3.4
Price/Book (x)	7.6	7.0	6.7	6.1	5.4
Dividend Yield (%)	0.2	0.3	0.1	0.2	0.2

Note: Pricing as on 11 February 2025; Source: Company, Elara Securities Estimate

**Quarterly financials**

YE March (INR mn)	Q3FY25	Q3FY24	YoY (%)	Q2FY25	QoQ (%)	FY24	FY23	YoY (%)
Net sales	55,269	48,506	13.9	55,893	(1.1)	190,592	166,125	14.7
Gross profit	29,007	25,331	14.5	28,577	1.5	98,055	85,742	14.4
Gross margins (%)	52.5	52.2	26.1	51.1	135.5	51.4	51.6	(16.6)
EBITDA	7,615	6,137	24.1	8,155	(6.6)	23,907	20,496	16.6
EBITDA margins (%)	13.8	12.7	112.6	14.6	(81.2)	12.5	12.3	20.6
Other income	638	278	129.5	382	67.0	1,063	903	17.7
Interest	1,098	1,126	(2.5)	1,175	(6.6)	4,494	3,808	18.0
Depreciation	1,846	1,670	10.5	1,845	0.1	6,870	6,152	11.7
PBT	5,309	3,619	46.7	5,517	(3.8)	13,606	11,439	18.9
Tax	1,568	1,089	44.0	1,617	(3.0)	4,455	2,562	73.9
Tax rate (%)	29.5	30.1	(55.6)	29.3	22.5	32.7	22.4	1,034.6
PAT	3,741	2,530	47.9	3,900	(4.1)	9,151	8,877	3.1
Minority interest	(18)	(77)	(76.6)	(112)	(83.9)	(184)	(687)	(73.2)
Extraordinary items	-	-	#DIV/0!	-	#DIV/0!	19	-	#DIV/0!
PAT	3,723	2,453	51.8	3,788	(1.7)	8,986	8,191	9.7
Adjusted net income	3,723	2,453	51.8	3,788	(1.7)	8,967	8,191	9.5
NPM (%)	6.7	5.1	167.9	6.8	(4.1)	4.7	4.9	(22.6)

Source: Company, Elara Securities Research

**Exhibit 1: Valuation based on core earnings**

	FY23	FY24	FY25E	FY26E	FY27E
Core EPS (INR)	51.8	57.0	90.7	122.7	132.1
Core EPS growth (%)	5.1	10.1	59.2	35.3	7.6
Cash per share (INR)	73.8	111.7	73.2	109.3	200.8
Current core P/E (x)	119.9	108.9	68.4	50.6	47.0
Core ROIC (%)	20.5	20.5	26.4	28.0	27.6

Source: Company, Elara Securities Estimate

**Q3FY25 conference call highlights**
**Business highlights**

- ▶ In Q3, APHS collaborated with Microsoft to drive AI and digital innovation in healthcare, with focus on disease progression and genomics.
- ▶ Additionally, APHS signed a significant Memorandum of Understanding (MoU) with Indonesia's Mayapada Healthcare Group to enhance the region's healthcare landscape by strengthening medical capabilities, clinical programs, and operational excellence in oncology, cardiology, neurology, and transplant surgery.
- ▶ APHS reported Q3FY25 revenue of INR 55.3bn, reflecting a 14% YoY growth, while consolidated EBITDA for the quarter reached INR 7.6bn, marking a 24% YoY increase.

**Healthcare Services**

- ▶ APHS reached a significant milestone in cardiac care in Q3, successfully completing over 1,000 robotic cardiac surgeries in Bengaluru and Chennai.
- ▶ Healthcare services reported a revenue of INR 27.8bn, up from INR 24.6bn in Q3FY24, reflecting a 13% YoY growth. This was driven by a 5% rise in inpatient volumes and an 8% rise in price and case mix. Segment EBITDA (post IndAS) stood at INR 6.7bn, compared with INR 5.7bn in Q3FY24, with EBITDA margin at 24.1% in Q3FY25.
- ▶ Revenue from cash and insurance patients grew by 15% YoY, with these segments contributing 83% to total inpatient hospital revenue.
- ▶ Revenue from international patients (excluding Bangladesh) increased by 19% YoY, though the decline in patients from Bangladesh led to an overall 1.5% revenue drop.
- ▶ International patients are charged a 15-20% premium compared with domestic patients.

- ▶ Strong growth in CONGO-T specialties (10% YoY volume rise) contributed to higher revenue realization in Q3FY25.
- ▶ As of 31 December 2024, APHS operated 7,996 beds across its network (excluding AHLL and managed beds). Overall hospital occupancy improved to 68%, up from 66% in the previous year, driven by increased patient flow.
- ▶ Revenue for the Tamil Nadu cluster increased by 8%, and ARPOB grew by 11% to INR 77,084. Occupancy stood at 1,305 beds (64%), compared with 1,341 beds (66%) in the previous year. The decline in patients from Bangladesh impacted ~3% of revenue.
- ▶ Revenue from Andhra Pradesh and Telangana surged by 24%, with inpatient volumes up 15%. ARPOB grew by 9% to INR 63,013. Occupancy improved to 815 beds (66%), up from 718 beds (57%) in the previous year. Apollo Hospitals Hyderabad launched a multidisciplinary centre for foot and ankle care to address diabetic neuropathy and limb deformities.
- ▶ Revenue from Karnataka grew by 17%, inpatient volumes by 5%, and ARPOB by 6% to INR 65,513. Occupancy increased to 549 beds (71%), up from 501 beds (67%) in the previous year.
- ▶ Revenue from the Eastern region rose by 8%, inpatient volumes by 5%, and ARPOB by 6% to INR 46,485. Occupancy stood at 1,349 beds (72%), compared with 1,321 beds (73%) last year.
- ▶ Revenue from the Western region grew by 12%, though inpatient volumes declined by 2%. ARPOB increased by 9% to INR 51,325. Occupancy remained at 57%, with 499 beds, up from 487 beds in the previous year. Apollo Hospitals Ahmedabad introduced FemRejuvenate therapy, Gujarat's first treatment designed to enhance vaginal health, wellness, and confidence in women.
- ▶ Revenue from the Northern region grew by 11%, inpatient volumes by 10%, and ARPOB by 4% to INR 60,219. Occupancy rose to 885 beds (74%), up from 833 beds (70%) in the previous year.

#### AHLL

- ▶ Apollo Health and Lifestyle (AHLL) reported a gross revenue of INR 3.9bn in Q3, up from INR 3.4bn in Q3FY24, up 15% YoY, led primarily by a maturing network. EBITDA increased by 32%, to INR 342mn compared with INR 259mn in Q3FY24, with EBITDA margin at 8.8% in the quarter.
- ▶ Diagnostics revenue stood at INR 1.2bn, while Spectra contributed INR 0.7bn.
- ▶ Preventive health check volumes grew by ~15% YoY in 9MFY25.
- ▶ The wellness segment recorded a 36% YoY volume growth in 9MFY25, contributing 18% to total diagnostics revenue, up from 15% in 9MFY24.
- ▶ Primary care revenue and EBITDA grew 17% and 74% YoY, respectively, in Q3FY25, driven by the redesign of health check plans and cost-saving initiatives.
- ▶ Specialty care revenue increased by 13% YoY in Q3FY25, supported by improved footfalls. However, growth was slightly impacted by an extended festive season.

#### Apollo Healthco

- ▶ Apollo Healthco reported revenue of INR 23.5bn in Q3FY25, up from INR 20.5bn in Q3FY24, reflecting a 15% YoY growth. EBITDA in Q3 stood at INR 566mn, compared with INR 19mn in Q3FY24, with EBITDA margin at 2.4%.
- ▶ Revenue from offline pharmacy distribution reached INR 20.8bn, while revenue from the digital platform stood at INR 2.7bn in Q3 FY25.
- ▶ About 132 net new stores were opened in Q3, bringing the total store count to 6,360.
- ▶ Apollo 24/7, the online service platform, serves ~874,000 customers daily, marking a 25% YoY increase.
- ▶ GMV for Apollo 24/7 stood at INR 7.6bn in Q3 FY25, reflecting an 11% YoY growth.
- ▶ The platform recorded an average daily order run rate of 75,000 across pharmacy, diagnostics, and consultations (including IP/OP referrals), up from 61,000 per day in Q3FY24.

- ▶ The average order value for the pharmacy business stood at INR 1,001.
- ▶ Private and generic label sales accounted for 17.7% of total offline pharmacy sales in the quarter.
- ▶ Apollo Telehealth reported a revenue of INR 167mn in Q3 FY25, achieving a 9% YoY growth.

**Guidance**

- ▶ APHS is on track to add 3,512 beds across 11 locations in the next 3-4 years.
- ▶ The Kolkata, Gurgaon, and Hyderabad facilities are expected to be operational by FY26-end.
- ▶ The management plans to add 1,737 beds, with 50% operational in FY26 and the rest in FY27.
- ▶ The Kolkata and Delhi facilities are projected to break even within 12 months of operation.
- ▶ APHS is on course to operationalize three facilities (including the Pune and Delhi Cancer Hospital) in H1FY26.
- ▶ ARPOB growth will be driven by high surgical volumes, an improved clinical case mix, and a favorable payer mix.
- ▶ With new facilities launching and ongoing infrastructure improvements, APHS is well-positioned to capitalize on market opportunities.
- ▶ The impact on margins from new facility operations is expected to be less than 100bps, with hospital margins remaining stable at 24% in FY26.
- ▶ ARPOB is projected to grow at 6-7% annually in the coming years.
- ▶ The management aims to reach 72% occupancy before adding new beds.
- ▶ APHS plans to introduce insurance services on its 24/7 platform, having received regulatory approvals. In this quarter, three health insurance and three life insurance companies will be added, enhancing EBITDA margins.
- ▶ Expenses for Apollo 24/7 are expected to remain stable in the upcoming quarters.
- ▶ By Q1FY26, APHS plans to launch OPD services on its online platform and expand partnerships with financial institutions such as SBI and ICICI Bank.
- ▶ Paid marketing expenses for the Apollo Healthco online business have declined this quarter.
- ▶ The Navi Mumbai facility is expected to perform well in FY26.
- ▶ The digital platform is projected to break even by Q3FY26, requiring a GMV of INR 9-9.5bn. It is expected to deliver 18-20% margin by that time.
- ▶ AHLL's business is expected to grow at 15-18% annually in the next 2-3 years.
- ▶ The management aims for 20%+ growth in the digital platform in the coming years.
- ▶ By FY27, Apollo Healthco (including Keimed) targets a topline of INR 250bn, with an EBITDA margin of 7-8%.

**Exhibit 2: APHS – EV/EBITDA trading at 3% premium to its 10-year average of 22.6x**



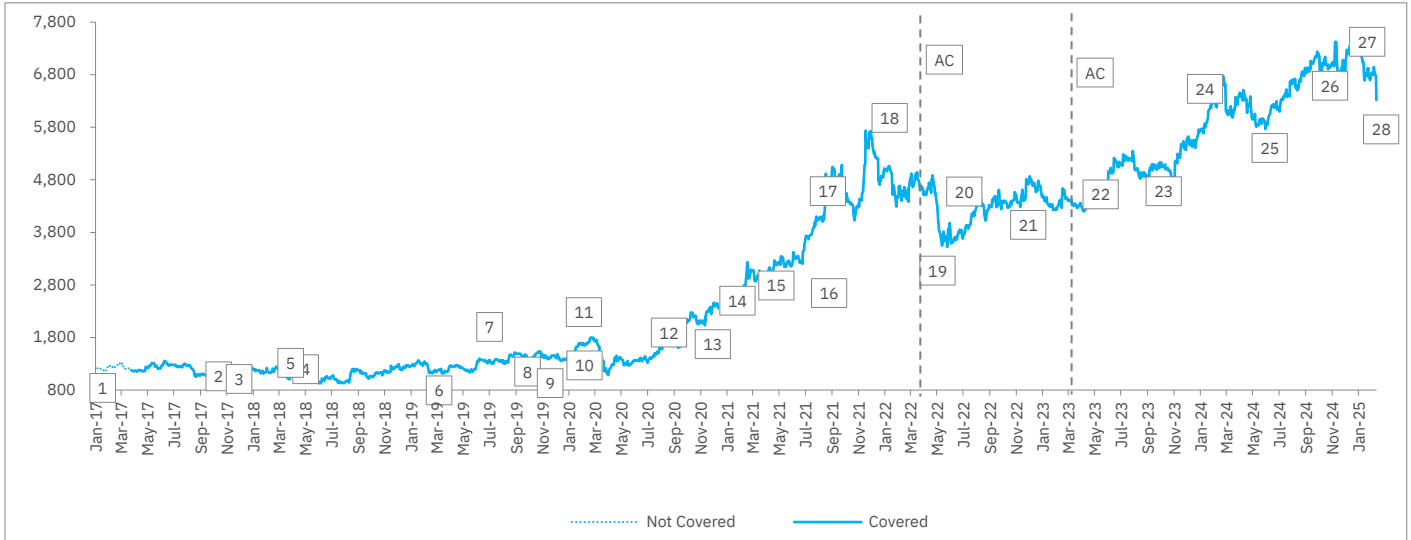
Source: Bloomberg, Company, Elara Securities Research

**Exhibit 3: Change in estimates**

(INR mn)	Earlier			Revised			% Change		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales	218,118	242,100	271,568	217,665	242,306	272,033	(0.2)	0.1	0.2
EBITDA	31,283	36,483	39,230	30,867	36,529	39,441	(1.3)	0.1	0.5
PAT	14,320	18,348	19,887	14,369	19,003	20,360	0.3	3.6	2.4
<b>EPS</b>	<b>98.9</b>	<b>126.7</b>	<b>137.3</b>	<b>99.2</b>	<b>131.2</b>	<b>140.6</b>	0.3	3.6	2.4
<b>TP (INR)</b>	<b>7,271</b>			<b>6,979</b>			<b>(4.0)</b>		
<b>Rating</b>	<b>Reduce</b>			<b>Accumulate</b>					

Source: Elara Securities Estimate

## Coverage History



Date	Rating	Target Price	Closing Price	
22	31-May-2023	Accumulate	INR 5,001	INR 4,622
23	11-Aug-2023	Reduce	INR 5,001	INR 4,906
24	9-Feb-2024	Reduce	INR 6,183	INR 6,437
25	31-May-2024	Accumulate	INR 6,183	INR 5,839
26	14-Aug-2024	Reduce	INR 6,457	INR 6,516
27	7-Nov-2024	Reduce	INR 7,271	INR 7,410
28	11-Feb-2025	Accumulate	INR 6,979	INR 6,317

AC=Analyst change

### Guide to Research Rating

<b>BUY</b>	Absolute Return >+20%
<b>ACCUMULATE</b>	Absolute Return +5% to +20%
<b>REDUCE</b>	Absolute Return -5% to +5%
<b>SELL</b>	Absolute Return < -5%

## Disclosures & Confidentiality for non U.S. Investors

The Note is based on our estimates and is being provided to you (herein referred to as the "Recipient") only for information purposes. The sole purpose of this Note is to provide preliminary information on the business activities of the company and the projected financial statements in order to assist the recipient in understanding / evaluating the Proposal. Nothing in this document should be construed as an advice to buy or sell or solicitation to buy or sell the securities of companies referred to in this document. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved) and should consult its own advisors to determine the merits and risks of such an investment. Nevertheless, Elara Securities (India) Private Limited or any of its affiliates is committed to provide independent and transparent recommendation to its client and would be happy to provide any information in response to specific client queries. Elara Securities (India) Private Limited or any of its affiliates have not independently verified all the information given in this Note and expressly disclaim all liability for any errors and/or omissions, representations or warranties, expressed or implied as contained in this Note. The user assumes the entire risk of any use made of this information. Elara Securities (India) Private Limited or any of its affiliates, their directors and the employees may from time to time, effect or have effected an own account transaction in or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for or solicit investment banking or other business from any company referred to in this Note. Each of these entities functions as a separate, distinct and independent of each other. This Note is strictly confidential and is being furnished to you solely for your information. This Note should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose. This Note is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject Elara Securities (India) Private Limited or any of its affiliates to any registration or licensing requirements within such jurisdiction. The distribution of this document in certain jurisdictions may be restricted by law, and persons in whose possession this document comes, should inform themselves about and observe, any such restrictions. Upon request, the Recipient will promptly return all material received from the company and/or the Advisors without retaining any copies thereof. The Information given in this document is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This Information is subject to change without any prior notice. Elara Securities (India) Private Limited or any of its affiliates reserves the right to make modifications and alterations to this statement as may be required from time to time. However, Elara Securities (India) Private Limited is under no obligation to update or keep the information current. Neither Elara Securities (India) Private Limited nor any of its affiliates, group companies, directors, employees, agents or representatives shall be liable for any damages whether direct, indirect, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. This Note should not be deemed an indication of the state of affairs of the company nor shall it constitute an indication that there has been no change in the business or state of affairs of the company since the date of publication of this Note. The disclosures of interest statements incorporated in this document are provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. Elara Securities (India) Private Limited generally prohibits its analysts, persons reporting to analysts and their family members from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Any clarifications / queries on the proposal as well as any future communication regarding the proposal should be addressed to Elara Securities (India) Private Limited. It is important to note that any dispute with respect to this research report, would not have access to stock exchange investor redressal forum or arbitration mechanism.

Elara Securities (India) Private Limited was incorporated in July 2007 as a subsidiary of Elara Capital (India) Private Limited.

Elara Securities (India) Private Limited is a SEBI registered Stock Broker in the Capital Market and Futures & Options Segments of National Stock Exchange of India Limited [NSE], in the Capital Market Segment of BSE Limited [BSE] and a Depository Participant registered with Central Depository Services (India) Limited [CDSL].

Elara Securities (India) Private Limited's business, amongst other things, is to undertake all associated activities relating to its broking business.

The activities of Elara Securities (India) Private Limited were neither suspended nor has it defaulted with any stock exchange authority with whom it is registered in last five years. However, during the routine course of inspection and based on observations, the exchanges have issued adverse letters or levied minor penalties on Elara Securities (India) Private Limited for minor operational deviations in certain cases. Elara Securities (India) Private Limited has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has the certificate of registration been cancelled by SEBI at any point of time.

Elara Securities (India) Private Limited offers research services primarily to institutional investors and their employees, directors, fund managers, advisors who are registered or proposed to be registered.

Details of Associates of Elara Securities (India) Private Limited are available on group company website [www.elaracapital.com](http://www.elaracapital.com)

Elara Securities (India) Private Limited is maintaining arms-length relationship with its associate entities.

Research Analyst or his/her relative(s) may have financial interest in the subject company. Elara Securities (India) Private Limited does not have any financial interest in the subject company, whereas its associate entities may have financial interest. Research Analyst or his/her relative does not have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. Elara Securities (India) Private Limited does not have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. Associate entities of Elara Securities (India) Private Limited may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. Research Analyst or his/her relative or Elara Securities (India) Private Limited or its associate entities does not have any other material conflict of interest at the time of publication of the Research Report.

Research Analyst or his/her relative(s) has not served as an officer, director or employee of the subject company.

Research analyst or Elara Securities (India) Private Limited have not received any compensation from the subject company in the past twelve months. Associate entities of Elara Securities (India) Private Limited may have received compensation from the subject company in the past twelve months. Research analyst or Elara Securities (India) Private Limited or its associate entities have not managed or co-managed public offering of securities for the subject company in the past twelve months. Research analyst or Elara Securities (India) Private Limited or its associates have not received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months. Research analyst or Elara Securities (India) Private Limited or its associate entities may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company or third party in connection with the Research Report in the past twelve months.

## Disclaimer & Standard warning

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

## Disclaimer for non U.S. Investors

The information contained in this note is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

## Disclosures for U.S. Investors

The research analyst did not receive compensation from Apollo Hospitals Enterprise Limited.

Elara Capital Inc.'s affiliate did not manage an offering for Apollo Hospitals Enterprise Limited.

Elara Capital Inc.'s affiliate did not receive compensation from Apollo Hospitals Enterprise Limited in the last 12 months.

Elara Capital Inc.'s affiliate does not expect to receive compensation from Apollo Hospitals Enterprise Limited in the next 3 months.

## Disclaimer for U.S. Investors

This material is based upon information that we consider to be reliable, but Elara Capital Inc. does not warrant its completeness, accuracy or adequacy and it should not be relied upon as such.

This material is not intended as an offer or solicitation for the purchase or sale of any security or other financial instrument. Securities, financial instruments or strategies mentioned herein may not be suitable for all investors. Any opinions expressed herein are given in good faith, are subject to change without notice, and are only correct as of the stated date of their issue. Prices, values or income from any securities or investments mentioned in this report may fall against the interests of the investor and the investor may get back less than the amount invested. Where an investment is described as being likely to yield income, please note that the amount of income that the investor will receive from such an investment may fluctuate. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. The information contained in this report does not constitute advice on the tax consequences of making any particular investment decision. This material does not take into account your particular investment objectives, financial situations or needs and is not intended as a recommendation of particular securities, financial instruments or strategies to you. Before acting on any recommendation in this material, you should consider whether it is suitable for your particular circumstances and, if necessary, seek professional advice.

Certain statements in this report, including any financial projections, may constitute "forward-looking statements." These "forward-looking statements" are not guarantees of future performance and are based on numerous current assumptions that are subject to significant uncertainties and contingencies. Actual future performance could differ materially from these "forward-looking statements" and financial information.



## India

**Elara Securities (India) Private Limited**  
One International Center, Tower 3,  
21st Floor, Senapati Bapat Marg,  
Elphinstone Road (West)  
Mumbai – 400 013, India  
Tel : +91 22 6164 8500

## Europe

**Elara Capital Plc.**  
6th Floor, The Grove,  
248A Marylebone Road,  
London, NW1 6JZ,  
United Kingdom  
Tel : +44 20 7486 9733

## USA

**Elara Securities Inc.**  
230 Park Avenue, Suite 2415,  
New York, NY 10169, USA  
Tel: +1 212 430 5870  
Fax: +1 212 208 2501

## Asia / Pacific

**Elara Capital (Asia) Pte.Ltd.**  
One Marina Boulevard,  
Level 20,  
Singapore 018989  
Tel : +65 6978 4047



### Managing Director

**Harendra Kumar** | harendra.kumar@elaracapital.com | +91 22 6164 8571



### Head of Research

**Dr Bino Pathiparampil** | bino.pathiparampil@elaracapital.com | +91 22 6164 8572

## Sales Team



### India

**Hitesh Danak** - hitesh.danak@elaracapital.com - +91 22 6164 8543  
**Ashok Agarwal** - ashok.agarwal@elaracapital.com - +91 22 6164 8558



### India, APAC & Australia

**Sudhanshu Rajpal** - sudhanshu.rajpal@elaracapital.com - +91 22 6164 8508  
**Joshua Saldanha** - joshua.saldanha@elaracapital.com - +91 22 6164 8541  
**Shraddha Shrikhande** - shraddha.shrikhande@elaracapital.com - +91 22 6164 8567



### India & UK

**Prashin Lalvani** - prashin.lalvani@elaracapital.com - +91 22 6164 8544



### India & US

**Karan Rathod** - karan.rathod@elaracapital.com - +91 22 6164 8570



### Corporate Access, Conference & Events

**Anita Nazareth** - anita.nazareth@elaracapital.com - +91 22 6164 8520  
**Tina D'souza** - tina.dsouza@elaracapital.com - +91 22 6164 8595

Access our reports on Bloomberg: Type **RESP ESEC <GO>**

Also available on **Thomson & Reuters**

#### Elara Securities (India) Private Limited

Registered Office Address: One International Center, Tower 3, 21st Floor, Senapati Bapat Marg, Elphinstone Road (West) Mumbai – 400 013, India Tel : +91 22 6164 8500  
CIN: U74992MH2007PTC172297 | SEBI Research Analyst Registration No.: INH000000933  
Member of BSE Limited and National Stock Exchange of India Limited | SEBI REGN. NO.: INZ 000 238236  
Member of Central Depository Services (India) Limited | SEBI REGN. NO.: IN-DP-370-2018  
Investor Grievance Email ID: [investor.grievances@elaracapital.com](mailto:investor.grievances@elaracapital.com) - Tel. +91 22 6164 8509  
Compliance Officer: Mr. Anand Rao - Email ID: [anand.rao@elaracapital.com](mailto:anand.rao@elaracapital.com) - Tel. +91 22 6164 8509