



The Q2FY24 results for KIMS Hospitals closely aligned with our projections. The company demonstrated a notable uptick in occupancy, showing an increase of approximately 600 bps sequentially and 380 bps YoY, which further bolstered its performance. Recently, KIMS initiated IVF services at its Nagpur location. The introduction of various complexities across different units is expected to fuel growth in ARPOB. While margins may experience a slight decrease due to the duplication of costs associated with transitioning to the new Sunshine hospital facility. Management is actively looking to increase its stake in certain subsidiaries to reduce its minority contribution. Despite encountering some challenges, such as delays in the operationalization of certain hospitals, the management remains optimistic about adhering to the current timeline.

### Key Financials Highlights

- Revenue (Excl OI) at INR 6,525 Mn, +16% YoY / +8% QoQ
- Adj EBITDA (Excl OI, One-off item & IND AS 116) at INR 1,723 Mn, +11.3% YoY / +19.1% QoQ
- Adj EBITDA margin (Excl OI, One-off item & IND AS 116) at 26.4% vs 25.7% / 25.5% in Q2FY23 / Q1FY24
- Adj PAT at INR 920 Mn, +6% YoY / +14% QoQ
- Adj EPS stood at INR 11.5 vs 10.83 / 10.1 in Q2FY23 / Q1FY24

### Key Operational Highlights

- IP Volume (in no.): 51,115 Patients +9.7% YoY / +10.6% QoQ
- OP Volume (in no.): 4,13,020 Patients +10.1% YoY / +8% QoQ
- ARPOB (in INR): INR 31,140 vs INR 29,237 / INR 31,697 in Q2FY23 / Q1FY24
- ALOS (in days): 4.11 in Q2FY24 vs 4.15 in Q2FY23
- Occupancy on Operational Census Beds (in %): 76.4% in Q2FY24 vs 72.6% in Q2FY23

### Financial Summary

| Y/E Mar (Rs mn) | FY 21  | FY 22  | FY 23  | FY 24E | FY 25E |
|-----------------|--------|--------|--------|--------|--------|
| Net sales       | 13,299 | 16,508 | 21,977 | 25,947 | 30,105 |
| EBIDTA          | 3,709  | 5,158  | 6,040  | 7,480  | 9,235  |
| Margins         | 27.9   | 31.2   | 27.5   | 28.8   | 30.7   |
| PAT (adj)       | 2,012  | 3,327  | 3,260  | 3,780  | 4,381  |
| Growth (%)      | 68.7   | 65.4   | (2.0)  | 15.9   | 15.9   |
| EPS             | 25.9   | 41.6   | 40.7   | 47.2   | 54.7   |
| P/E (x)         | 72.1   | 45.0   | 45.9   | 39.6   | 34.2   |
| P/B (x)         | 16.8   | 10.8   | 9.0    | 7.3    | 6.0    |
| EV/EBITDA (x)   | 39.1   | 29.1   | 25.7   | 20.5   | 17.0   |
| RoE (%)         | 23.3   | 24.0   | 19.5   | 18.6   | 17.7   |
| ROCE (%)        | 27.3   | 28.6   | 21.6   | 20.7   | 20.5   |

Source: Dalal and Broacha

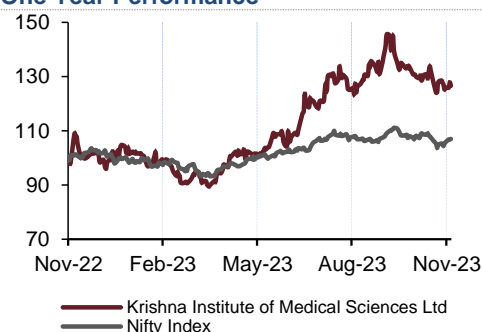
| Rating      | TP (Rs)      | Up/Dn (%) |
|-------------|--------------|-----------|
| <b>HOLD</b> | <b>1,989</b> | <b>6</b>  |

#### Market data

|                      |           |               |
|----------------------|-----------|---------------|
| Current price        | Rs        | 1,870         |
| Market Cap (Rs.Bn)   | (Rs Bn)   | 150           |
| Market Cap (US\$ Mn) | (US\$ Mn) | 1,797         |
| Face Value           | Rs        | 10            |
| 52 Weeks High/Low    | Rs        | 2229.9 / 1282 |
| Average Daily Volume | ('000)    | 183           |
| BSE Code             |           | 543308        |
| Bloomberg            |           | KIMS.IN       |

Source: Bloomberg

#### One Year Performance



Source: Bloomberg

| % Shareholding | Sep-23     | Jun-23     |
|----------------|------------|------------|
| Promoters      | 38.84      | 38.84      |
| Public         | 61.16      | 61.16      |
| <b>Total</b>   | <b>100</b> | <b>100</b> |

Source: BSE

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## Quarterly Financials

| (Rs.Mn)                                | Q2FY24A      | Q2FY23       | YoY Growth (%) | Q1FY24       | QoQ Growth (%) |
|--|--------------|--------------|----------------|--------------|----------------|
| <b>Revenue from Operations</b>         | <b>6,525</b> | <b>5,641</b> | <b>16%</b>     | <b>6,060</b> | <b>8%</b>      |
| Other Income                           | 29           | 92           | -69%           | 31           | -7%            |
| Total RM Cost                          | 1,404        | 1,253        | 12%            | 1,300        | 8%             |
| Employee Benefits Expense              | 1,057        | 842          | 26%            | 1,039        | 2%             |
| Other Expenses                         | 2,291        | 2,022        | 13%            | 2,151        | 7%             |
| Total Expenses                         | 4,752        | 4,116        | 15%            | 4,490        | 6%             |
| <b>EBITDA (Excluding Other Income)</b> | <b>1,773</b> | <b>1,524</b> | <b>16%</b>     | <b>1,571</b> | <b>13%</b>     |
| Depreciation and Amortisation Expenses | 326          | 311          | 5%             | 323          | 1%             |
| <b>EBIT / PBIT</b>                     | <b>1,475</b> | <b>1,305</b> | <b>13%</b>     | <b>1,279</b> | <b>15%</b>     |
| Finance Costs                          | 89           | 79           | 13%            | 93           | -5%            |
| <b>EBT/ PBT</b>                        | <b>1,386</b> | <b>1,226</b> | <b>13%</b>     | <b>1,186</b> | <b>17%</b>     |
| Tax Expense                            | 373          | 314          | 19%            | 319          | 17%            |
| <b>Net Profit after Tax (Adjusted)</b> | <b>920</b>   | <b>866</b>   | <b>6%</b>      | <b>808</b>   | <b>14%</b>     |
| Earning Per Share (Adjusted)           | 11.50        | 10.83        | 6%             | 10.10        | 14%            |
| <b>Margins (%)</b>                     |              |              |                |              |                |
| EBITDA Margins (Excl Other Income)     | 27.2%        | 27.0%        | 15             | 25.9%        | 125            |
| PAT Margins                            | 14.1%        | 15.4%        | -126           | 13.3%        | 77             |
| <b>As a % to sales</b>                 |              |              |                |              |                |
| RM as a % to sales                     | 21.5%        | 22.2%        | -69            | 21.5%        | 7              |
| EE Cost as a % to sales                | 16.2%        | 14.9%        | 128            | 17.1%        | -95            |
| Other exps as a % to sales             | 35.1%        | 35.8%        | -73            | 35.5%        | -37            |
| <b>Key Operational Metrics</b>         |              |              |                |              |                |
| IP Volumes                             | 51,115       | 46,616       | 9.7%           | 46,205       | 11%            |
| OP Volumes                             | 413,020      | 375,188      | 10.1%          | 382,387      | 8.0%           |
| ARPOB (Rs)                             | 31,140       | 29,237       | 7%             | 31,697       | -2%            |
| Occupancy (%)                          | 76.4%        | 72.6%        | 380            | 70.4%        | 600            |

| Particulars  | Consolidated - FY24 Q2 Results |          |          |       |       |
|--|--------------------------------|----------|----------|-------|-------|
|  | Q2 FY 24                       | Q1 FY 24 | Q2 FY 23 | QoQ   | YoY   |
| Total Income   | 6,553.6                        | 6,091.4  | 5,732.8  |       |       |
| Less : Other Income  | 28.9                           | 31.1     | 92.0     |       |       |
| Revenue from Operations                                    | 6,524.8                        | 6,060.3  | 5,640.7  | 7.7%  | 15.7% |
| PBT*   | 1,386.3                        | 1,185.8  | 1,226.4  | 16.9% | 13.0% |
| Add : Interest   | 89.1                           | 93.3     | 78.8     |       |       |
| Add : Depreciation   | 326.1                          | 322.6    | 311.2    |       |       |
| Reported EBITDA (Including other income) as per Financials | 1,801.6                        | 1,601.8  | 1,616.4  | 12.5% | 11.5% |
| Less : Other Income  | 28.9                           | 31.1     | 92.0     |       |       |
| Less : INDAS   | 49.9                           | 23.1     | 77.3     |       |       |
| EBITDA Pre INDAS & Other Income                            | 1,722.8                        | 1,547.5  | 1,447.1  | 11.3% | 19.1% |
| EBITDA % to Revenue from Operations                        | 26.4%                          | 25.5%    | 25.7%    |       |       |

Source: Company, Dalal & Broacha Research

**Did you know?**

In a populous country like India occupancy is not a constraint but affordability is. KIMS is one of the lowest cost quality healthcare service providers with industry leading margins backed by consistent volumes driven by doctors who own equity in the company.

## Key Operating Metrics

| Key Operating Metrics                           |          |            |            |            |           |            |           |              |
|---|----------|------------|------------|------------|-----------|------------|-----------|--------------|
| Particulars                                     | FY18     | FY19       | FY20       | FY21       | FY22      | FY23       | FY24E     | FY25E        |
| Total Commissioned Beds (in No.s)               | 2,120    | 2,804      | 3,004      | 3,064      | 3,064     | 3,940      | 3,975     | 4,990        |
| <b>Incremental beds (in No.s)</b>               |          | <b>684</b> | <b>200</b> | <b>60</b>  | -         | <b>876</b> | <b>35</b> | <b>1,015</b> |
| Total Operational Census Bed Capacity (in No.s) | 1,705    | 2,209      | 2,434      | 2,590      | 2,590     | 3,468      | 3,498     | 3,977        |
| <b>Incremental beds (in No.s)</b>               |          | <b>504</b> | <b>225</b> | <b>156</b> | -         | <b>878</b> | <b>30</b> | <b>479</b>   |
| Occupancy (On Operational Census Beds)          | N.A.     | N.A.       | N.A.       | 78.6%      | 79.9%     | 69.3%      | 75.0%     | 72.2%        |
| IP Volume                                       | 88,600   | 1,11,382   | 1,40,676   | 1,16,520   | 1,36,746  | 1,82,614   | 1,94,620  | 2,18,226     |
| OP Volume                                       | 6,61,000 | 9,00,043   | 11,37,560  | 8,30,211   | 10,13,759 | 14,62,439  | 15,58,587 | 17,47,635    |
| ARPOB (in ₹)                                    | 18,832   | 18,344     | 18,323     | 20,599     | 25,206    | 29,946     | 31,743    | 33,647       |
| ARPP (in ₹)                                     | 84,367   | 81,998     | 79,522     | 1,13,912   | 1,20,737  | 1,22,779   | 1,33,320  | 1,37,954     |
| ALOS (in days)                                  | 4.48     | 4.47       | 4.34       | 5.53       | 4.79      | 4.10       | 4.20      | 4.10         |
| Operating Revenue (Excluding OI)                | 6,637    | 9,180      | 11,226     | 13,299     | 16,508    | 21,977     | 25,947    | 30,105       |
| EBITDA (Excluding OI)                           | 1,394    | 1,740      | 2,511      | 3,709      | 5,158     | 6,040      | 7,480     | 9,235        |
| EBITDA (%)                                      | 21.0%    | 19.0%      | 22.4%      | 27.9%      | 31.2%     | 27.5%      | 28.8%     | 30.7%        |

Source: Company, Dalal & Broacha Research

## Management Concall KTAs

- **KIMS AP Cluster**
  - ARPOB for Q2FY24 @ Rs 15,491; can be 15/20% higher
  - However, still at healthy level w.r.t. the market it operates in. More of a volume game than pricing.
- **KIMS Telangana**
  - Margins at 30.4% for Q2FY24
  - Had undertaken one time renovation expense
  - 31% steady state margin to expect from the cluster
- **Nagpur Hospital:**
  - Started IVF facility.
  - Reached occupancy of ~ 80% on operational 250 beds against bed capacity of 334 beds.
  - Another 70/80 beds can be operationalised which will enhance margins which are on the lower-end (12.6%)
  - ARPOB will increase as and when additional complexities will be included at this facility.
- **Sunshine Update:**
  - Shifting to New facility which will be operational in November. OPD has been shifted completely & the first surgery is scheduled on November,15.
  - Major shifting cost to be incurred in November, part of the cost incurred in Q2FY24.
  - Cost that will be incurred for medical equipment will be ~ Rs 20/30 Mn & additional cost of running both facilities for a period of 2 months will be Rs 40/50 Mn (Incl. rent of old facility) → Margin may see a dip for next 1/2 quarters going ahead.

- Growth being driven by Gachibowli unit rather than Begumpet.
- Rental cost saving for a quarter ~ Rs 4.5 cr post shifting which will boost margins thereafter.

### New Hospitals Expansion

| Units          | Current Beds | Incremental Beds | New Departments                | Approx. Capex | Expected Year of Operation |
|----------------|--------------|------------------|--------------------------------|---------------|----------------------------|
| Nashik         | -            | 300              | All Specialities               | 200-250 Cr    | Q1 FY25                    |
| Mumbai (Thane) | -            | 300              | All Specialities               | 225-250 Cr    | Q4 FY25                    |
| Bangalore      | -            | 415              | All Specialities               | 350-400 Cr    | Q4 FY25                    |
| Anantapur      | 250          | 200              | Cancer Centre / Mother & Child | 90-110 Cr     | Q4 FY26                    |
| Kondapur       | 200          | 500              | All Specialities               | 300-350 Cr    | Q1 FY27                    |

- 35% of incremental beds to be operationalised in 1<sup>st</sup> year of operation and gradually scale it up to 50% thereafter.
- Nashik 51:49 JV, company owns land & building
- Bangalore – company owns 50% of building & 50% is on lease
  - Will expand by 2 more new facilities, as of now signed deal for 415 bedded hospital.
  - Plans to operationalise ~30 beds in Year 1.
  - ARPOB in the market @ ~Rs 60,000, KIMS may start with Rs 50,000 & scale up gradually.
- Thane – O&M format.
  - Some legal issues cleared. Work progressing on the property. Slight delay in closure of transaction by an investor.
  - KIMS still in a position to close the deal by itself if the investor does not come through.
  - In that case investment by the company will be to the extent of Rs 420 cr instead of Rs 120 cr if the investor closes the deal.
- Plans to add ~1200/1300 beds in AP & Telangana cluster
  - Nellore & Rajahmundry – 2 big additions to happen (~400 beds), waiting for clearances from government.

### Other Concall KTAs

- Minority share of EBITDA for Q2FY24 @ 12.6%. Will continue acquiring additional stake going forward.
- CFO for Q2FY24 came at Rs 197 cr & for H1FY24 @ Rs 345 cr.
- There has been some delay in various projects due to various legal issues & change in strategy of expanding through brownfield from Greenfield as planned earlier.

- Placed order worth \$30 Mn/\$40 Mn with Elekta for radiation therapy equipments which will be deployed in phased manner over 3 years at various units.
- Will take on debt going forward but will not exceed Debt/EBITDA ratio of 1.5x or 2x

### Valuation & Outlook

It is expected that ARPOB will continue to its growth trajectory as new complexities will be added to various facilities. Once the facility will be shifted to Begumpet, margins will continue to expand. Ramping up of the incremental beds capacity will be a major focus area. The company may take on some debt going forward, however, will not exceed the targeted Debt/EBITDA ratio of 1.5x - 2.0x & strong free cash flow generation will further cover the interest burden. Operationalizing additional 70-80 beds at Nagpur will improve the margins at the facility.

**KIMS @ CMP of Rs.1,870 trades at 17x EV/EBITDA on FY25E ; we have re-worked our numbers and value KIMS at 18x EV/EBITDA on FY25E to arrive at a target price of Rs.1,989 implying an upside of 6%.We maintain our Hold rating on the stock.**

#### About the Company:

The company was incorporated as 'Jagjit Singh and Sons Private Limited', on July 26, 1973 at Mumbai. Until the year 2003, the company was owned, managed and controlled by Jagjit Singh and certain of his family members, who together owned the entire shareholding of the company. On February 15, 2003, acting in pursuance of the Takeover MoU, certain of their Promoters, namely Dr. Bhaskara Rao Bollineni and BRMH, along with certain other individuals and entities, acquired the entire equity share capital of the company (then 'Jagjit Singh and Sons Private Limited'). The company offers multidisciplinary healthcare services with primary, secondary, and tertiary care across 2-3 tier cities and an additional quaternary healthcare facility in tier-1 cities.

**Dr. Bhaskara Rao Bollineni** is the Promoter and Managing Director of the company. He has over 27 years of experience in cardiothoracic surgery and has in the past held various positions with Apollo Hospitals, Austin Hospital, University of Melbourne and Mahavir Hospital and Research Centre.

**Anitha Dandamudi** is the Whole-time Director of the company. She has over 16 years of experience in the hospital industry, having held various positions with the company, and has also served as vice president of administration at e-Talent Software Ltd.

**Dr. Abhinay Bollineni** is the Promoter and Executive Director of the company. He played a key role in establishing KIMS Kondapur in 2014.

#### Key Managerial Personnel:

**Vikas Maheshwari** is the Chief Financial Officer of the company. He has been associated with the company since May 1, 2017. He has over 24 years of experience in accounting, finance and treasury.

**Umashankar Mantha** is the Company Secretary and General Manager (Legal) of the company. He has been associated with the company since July 1, 2015. He has over 17 years of experience in the secretarial and legal sectors.

## Financials

| P&L (Rs mn)                                | FY21         | FY22         | FY23         | FY24E        | FY25E        |
|--|--------------|--------------|--------------|--------------|--------------|
| Net Sales                                  | 13,299       | 16,508       | 21,977       | 25,947       | 30,105       |
| Raw Material Cost                          | (2,889)      | (3,552)      | (4,806)      | (5,708)      | (6,623)      |
| Employee Cost                              | (2,202)      | (2,619)      | (3,464)      | (3,751)      | (4,254)      |
| Other Expenses                             | (4,499)      | (5,180)      | (7,666)      | (9,007)      | (9,993)      |
| <b>Operating Profit (EBITDA)</b>           | <b>3,709</b> | <b>5,158</b> | <b>6,040</b> | <b>7,480</b> | <b>9,235</b> |
| Depreciation                               | (695)        | (727)        | (1,293)      | (1,894)      | (2,755)      |
| PBIT                                       | 3,013        | 4,431        | 4,748        | 5,586        | 6,480        |
| Other income                               | 102          | 203          | 259          | 285          | 313          |
| Interest                                   | (325)        | (160)        | (305)        | (366)        | (417)        |
| PBT  | 2,790        | 4,473        | 4,701        | 5,504        | 6,376        |
| Share of Profit from JV                    | -            | 95           | -            | -            | -            |
| Profit before tax (post exceptional)       | 2,790        | 4,568        | 4,849        | 5,504        | 6,376        |
| Provision for tax                          | (735)        | (1,131)      | (1,191)      | (1,385)      | (1,605)      |
| <b>Reported PAT</b>                        | <b>2,055</b> | <b>3,438</b> | <b>3,658</b> | <b>4,119</b> | <b>4,771</b> |
| MI   | 43           | 111          | 295          | 339          | 390          |
| Net Profit                                 | 2,012        | 3,327        | 3,363        | 3,780        | 4,381        |
| <b>Adjusted Profit (excl Exceptionals)</b> | <b>2,012</b> | <b>3,327</b> | <b>3,260</b> | <b>3,780</b> | <b>4,381</b> |

| Balance Sheet                  | FY21          | FY22          | FY23          | FY24E         | FY25E         |
|--------------------------------|---------------|---------------|---------------|---------------|---------------|
| Equity capital                 | 776           | 800           | 800           | 800           | 800           |
| CCPS                           | -             | -             | -             | -             | -             |
| Reserves                       | 7,861         | 13,073        | 15,895        | 19,561        | 23,942        |
| <b>Net worth</b>               | <b>8,637</b>  | <b>13,873</b> | <b>16,695</b> | <b>20,361</b> | <b>24,742</b> |
| MI                             | 125           | 233           | 2,684         | 3,023         | 3,413         |
| <b>Non Current Liabilities</b> | <b>2,816</b>  | <b>2,817</b>  | <b>7,069</b>  | <b>9,933</b>  | <b>10,197</b> |
| <b>Current Liabilities</b>     | <b>2,783</b>  | <b>2,150</b>  | <b>2,965</b>  | <b>3,394</b>  | <b>3,811</b>  |
| <b>TOTAL LIABILITIES</b>       | <b>14,362</b> | <b>19,073</b> | <b>29,413</b> | <b>36,711</b> | <b>42,164</b> |
| <b>Non Current Assets</b>      | <b>9,850</b>  | <b>15,140</b> | <b>24,637</b> | <b>27,876</b> | <b>36,172</b> |
| Investments in JV              | -             | 3,325         | -             | -             | -             |
| Fixed Assets                   | 8,555         | 9,412         | 19,352        | 22,481        | 30,777        |
| Goodwill                       | 848           | 848           | 3,080         | 3,080         | 3,080         |
| Non Current Investments        | -             | -             | -             | -             | -             |
| Deferred Tax Asset             | 29            | 32            | 402           | 402           | 402           |
| Long Term Loans and Advances   | 164           | 396           | 567           | 567           | 567           |
| Other Non Current Assets       | 253           | 1,127         | 1,235         | 1,346         | 1,346         |
| <b>Current Assets</b>          | <b>4,512</b>  | <b>3,934</b>  | <b>4,776</b>  | <b>8,835</b>  | <b>5,991</b>  |
| Current investments            | -             | -             | 679           | -             | -             |
| Inventories                    | 241           | 364           | 429           | 498           | 577           |
| Trade Receivables              | 1,098         | 1,286         | 2,527         | 1,777         | 2,062         |
| Cash and Bank Balances         | 2,844         | 1,901         | 664           | 6,082         | 2,873         |
| Short Term Loans and Advances  | 23            | -             | -             | -             | -             |
| Other Current Assets           | 306           | 383           | 479           | 479           | 479           |
| <b>TOTAL ASSETS</b>            | <b>14,362</b> | <b>19,073</b> | <b>29,413</b> | <b>36,711</b> | <b>42,164</b> |

| Cash Flow St. (Rs. mn)           | FY21           | FY22             | FY23              | FY24E            | FY25E             |
|----------------------------------|----------------|------------------|-------------------|------------------|-------------------|
| Net Profit                       | 2,011.9        | 3,326.7          | 3,260.4           | 3,779.7          | 4,381.4           |
| Add: Dep. & Amort.               | 695.4          | 726.7            | 1,292.6           | 1,894.2          | 2,755.3           |
| <b>Cash profits</b>              | <b>2,707.2</b> | <b>4,053.5</b>   | <b>4,553.0</b>    | <b>5,673.9</b>   | <b>7,136.7</b>    |
| <b>(Inc)/Dec in</b>              |                |                  |                   |                  |                   |
| Sundry debtors                   | 224.5          | (188.2)          | (1,240.2)         | 749.4            | (284.8)           |
| Inventories                      | 62.9           | (123.4)          | (64.4)            | (69.0)           | (79.8)            |
| Loans/advances                   | (121.6)        | (209.2)          | (171.4)           | -                | -                 |
| Other Current Assets             | (227.8)        | (879.9)          | (140.9)           | -                | -                 |
| Current Liab and Provisions      | 58.8           | (295.1)          | 309.5             | 50.8             | 53.4              |
| Sundry Creditors                 | 84.4           | (23.4)           | 447.2             | 368.7            | 338.4             |
| Change in working capital        | 81.1           | (1,719.1)        | (860.1)           | 1,100.0          | 27.2              |
| <b>CF from Oper. activities</b>  | <b>2,788.4</b> | <b>2,334.4</b>   | <b>3,692.8</b>    | <b>6,773.9</b>   | <b>7,163.9</b>    |
| <b>CF from Inv. activities</b>   | <b>(916.5)</b> | <b>(1,583.2)</b> | <b>(14,144.4)</b> | <b>(4,343.9)</b> | <b>(11,051.4)</b> |
| <b>CF from Fin. activities</b>   | <b>515.5</b>   | <b>1,176.6</b>   | <b>5,414.9</b>    | <b>1,435.4</b>   | <b>678.9</b>      |
| <b>Cash generated/(utilised)</b> | <b>2,387.3</b> | <b>1,927.8</b>   | <b>(5,036.7)</b>  | <b>3,865.4</b>   | <b>(3,208.6)</b>  |
| Cash at start of the year        | 457.3          | 2,844.5          | 1,900.7           | 663.7            | 6,081.9           |
| Cash at end of the year          | 2,844.6        | 4,772.2          | (3,136.0)         | 4,529.1          | 2,873.3           |

| Ratios                   | FY 21      | FY 22      | FY 23        | FY 24E       | FY 25E       |
|--------------------------|------------|------------|--------------|--------------|--------------|
| OPM                      | 27.9       | 31.2       | 27.5         | 28.8         | 30.7         |
| NPM                      | 15.01      | 19.91      | 14.66        | 14.41        | 14.40        |
| Tax rate                 | (26.4)     | (24.7)     | (24.6)       | (25.2)       | (25.2)       |
| <b>Growth Ratios (%)</b> |            |            |              |              |              |
| Net Sales                | 18.5       | 24.1       | 33.1         | 18.1         | 16.0         |
| Operating Profit         | 51.4       | 39.1       | 17.1         | 23.8         | 23.5         |
| PBIT                     | 72.8       | 47.0       | 7.1          | 17.7         | 16.0         |
| PAT                      | 68.7       | 65.4       | (2.0)        | 15.9         | 15.9         |
| <b>Per Share (Rs.)</b>   |            |            |              |              |              |
| Net Earnings (EPS)       | 25.93      | 41.57      | 40.74        | 47.23        | 54.75        |
| Cash Earnings (CPS)      | 34.9       | 50.6       | 56.9         | 70.9         | 89.2         |
| Dividend                 | -          | -          | -            | -            | -            |
| Book Value               | 111.3      | 173.3      | 208.6        | 254.4        | 309.2        |
| Free Cash Flow           | 31.6       | 21.8       | (74.8)       | (5.1)        | (85.8)       |
| <b>Valuation Ratios</b>  |            |            |              |              |              |
| P/E(x)                   | 72.1       | 45.0       | 45.9         | 39.6         | 34.2         |
| P/B(x)                   | 16.8       | 10.8       | 9.0          | 7.3          | 6.0          |
| EV/EBIDTA(x)             | 39.1       | 29.1       | 25.7         | 20.5         | 17.0         |
| Div. Yield(%)            | -          | -          | -            | -            | -            |
| <b>FCF Yield(%)</b>      | <b>1.7</b> | <b>1.2</b> | <b>(4.0)</b> | <b>(0.3)</b> | <b>(4.6)</b> |
| <b>Return Ratios (%)</b> |            |            |              |              |              |
| ROE                      | 23%        | 24%        | 20%          | 19%          | 18%          |
| ROCE                     | 27%        | 29%        | 22%          | 21%          | 20%          |

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