RATING BUY | CMP INR 600 | TP INR 800

# HealthCare Global Enterprises (HCG IN)

**Q2FY27 Result Update**

November 09, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

**Change in Estimates**

| | Current | | Previous | |
|---|---|---|---|---|
| | FY28E | FY29E | FY28E | FY29E |
| Rating | BUY | | BUY | |
| Target Price | 800 | | 820 | |
| Sales (INR mn) | 33,550 | 38,580 | 33,293 | 38,302 |
| *% Chng.* | *0.8* | *0.7* | | |
| EBITDA (INR mn) | 6,838 | 8,454 | 7,119 | 8,557 |
| *% Chng.* | *(3.9)* | *(1.2)* | | |
| EPS (INR) | 12.6 | 20.9 | 17.1 | 24.9 |
| *% Chng.* | *(26.3)* | *(16.1)* | | |

| Key Data | HEAC.BO \| HCG IN |
|---|---|
| BSE Code | 539787 |
| NSE Code | HCG |
| 52-W High / Low | INR 775 / INR 513 |
| Face Value | 10 |
| Sensex / Nifty | 80,999 / 24,986 |
| Market Cap | INR 90 bn / $ 954 mn |
| Shares Outstanding | 149.3 mn |
| 3M Avg. Daily Value | INR 144.80 mn |

**Shareholding Pattern (%)**

| | |
|---|---|
| Promoters | 64.21 |
| FIIs | 2.69 |
| Mututal Funds | 18.73 |
| Domestic Institutions | 2.04 |
| Public & Others | 12.32 |
| Promoter's Pledge (INR bn) | 2.98 |

**Stock Performance (%)**

| | 1M | 3M | 6M | 12M |
|---|---|---|---|---|
| Absolute | 1.8 | (11.2) | (0.7) | (20.5) |
| Relative | (8.9) | (14.0) | (5.2) | (18.4) |

**Key Financials - Consolidated**

| Y/e Mar | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|
| Sales (INR mn) | 25,454 | 29,002 | 33,550 | 38,580 |
| EBITDA (INR mn) | 4,658 | 5,521 | 6,838 | 8,454 |
| *Margin (%)* | *18.3* | *19.0* | *20.4* | *21.9* |
| PAT (INR mn) | 583 | 926 | 1,875 | 3,115 |
| EV (INR mn) | 94,035 | 94,203 | 92,935 | 89,360 |
| Total Debt (INR mn) | 9,104 | 7,104 | 5,104 | 3,104 |
| C&C Eq. (INR mn) | 5,409 | 3,356 | 2,754 | 4,459 |
| EPS (INR) | 3.9 | 6.2 | 12.6 | 20.9 |
| *Gr. (%)* | *22.7* | *58.7* | *102.5* | *66.1* |
| DPS (INR) | - | - | - | - |
| *Yield (%)* | - | - | - | - |
| *RoE (%)* | *5.2* | *6.7* | *12.4* | *17.7* |
| *RoCE (%)* | *10.6* | *12.5* | *18.4* | *24.8* |
| EV/Sales (x) | 3.7 | 3.2 | 2.8 | 2.3 |
| EV/EBITDA (x) | 20.2 | 17.1 | 13.6 | 10.6 |
| PE (x) | 153.5 | 96.7 | 47.8 | 28.8 |
| P/BV (x) | 6.7 | 6.3 | 5.6 | 4.7 |

## Growth to sustain despite trade margin cap

**Quick Pointers**

- Total ~792 bed expansion plan over 2HFY27 - FY30
- Guided temporary impact due to price-cap on 137 onco drugs

**HealthCare Global Enterprises' (HCG) Q2 consolidated EBITDA adjusted for new unit losses grew by 17% YoY to INR 1.42bn; in line with our estimates. Mgmt reiterated higher EBITDA growth than historical growth in coming years. HCG's asset-light approach with a focus on partnerships has made its business model more capital efficient and scalable, in our view. We believe the recent strategic investment by KKR and exit from low margin fertility business will bring in more operational and financial efficiency. Currently, HCG enjoys ~14% PRE IND-AS margin, which is lower than its peers. We expect KKR to drive growth through bed expansion largely brownfield, better payor mix, focused marketing initiatives and scale up of margins. Our FY28 and FY29E EBIDTA stands reduced by 2-4%. We expect ~22% EBITDA CAGR over FY26-29E. At CMP, the stock trades at attractive valuations of 15x EV/EBITDA adjusted for rentals and minority based on Sept 2028. Recommend 'BUY' rating with a TP of Rs800/share valuing at 20x on Sept 2028E EV/EBITDA.**

**In line EBITDA; Adj for new unit losses, EBITDA growth was 17% YoY:** HCG reported post-IND AS EBITDA of INR 1.36bn, up ~11% YoY with OPM of 18.6%. The North Bangalore unit reported a loss of INR 61mn vs loss of INR 70 mn QoQ. Adj for new unit loss, ESOPs cost and Milann divestment, EBITDA was up by 17% YoY to INR 1.42bn; in line with our est. Employee cost increased ~22% YoY to ~INR 1.14bn, while consultancy charges increased by 18% and other expenses increased by ~9% YoY. Resultant PAT decreased sharply by 71% YoY to INR 48mn due to the one-time EPCG (Export Promotion Capital Goods Scheme) provision of ~INR 116mn in Q2. Adjusted to this, PAT was improved ~1% YoY.

**Healthy ARPP & IP volume growth of 7% & 9% YoY; respectively:** Cluster wise, East grew by 23% YoY, South grew by 18% YoY and West grew by 10% YoY. While international (Kenya) grew by 54% YoY INR 302mn; driven by stronger patient inflows for radiation and medical oncology. ARPP grew 7% YoY to ~INR 88.8k/per day. Overall, India volumes grew by 9% YoY in Q2. Non- Institutional mix increased by 325bps YoY to 69%. Total 25 beds got operational in Q2FY27, across Kenya, Kolkata and Nagpur, taking total bed additions to 146 in H1FY27.

**Quarter Summary**

| Y/e Mar | Q2'27E | Q2'27A | % Var. | Q2'26A | YoY gr. (%) |
|---|---|---|---|---|---|
| Net Sales (INR mn) | 7,192 | 7,318 | *1.8* | 6,469 | *13.1* |
| EBITDA (INR mn) | 1,387 | 1,364 | *(1.7)* | 1,233 | *10.6* |
| *Margin (%)* | *19.3* | *18.6* | *(70) bps* | *19.1* | *(50) bps* |
| PAT (INR mn) | 322 | 194 | *(39.8)* | 163 | *19.0* |

*Source: Company, PL*


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## Conference Call Highlights

**Bed expansion plan and capex:** HCG added 25 operational beds (13 in Kenya, 7 in Kolkata and 5 in Nagpur); H1 added 146 beds in total. Management plans to add total ~800 beds; of which 42 beds will be added in 2HFY27, followed by ~520 beds in FY28–29 and ~230 beds in FY30, taking total operational capacity from 2,880 beds in Q2FY27 to ~3,680 beds by FY30. Overall, bed expansion plan of ~1000 beds entails ~INR5.5bn of capex and five additional LINACs over FY27–30E. H1FY27 capex stood at INR1.3bn, largely towards new beds, LINACs, PET-CT, robotics and upgrades.

**Net debt and utilization of right issue proceeds:** Net debt (ex-lease) increased to INR4.9bn (adjusted for MG-Vizag deferred consideration) from INR3.4bn in March 2026, translating into ~1.1x annualised H1 EBITDA. Of the INR4.25bn rights issue proceeds, INR1.54bn was utilised for MG-Vizag deferred consideration, INR1.7bn for debt repayment and the balance towards general corporate purposes, supporting a 10% QoQ decline in Q2 finance cost.

**OCF:** Operating cash flow conversion weakened to ~54% of EBITDA from 80%+ a year ago, mainly due to higher receivables, other current assets and tax outflows. Adjusted net debt increased by ~INR800mn during H1 despite debt prepayment, with working capital movement remaining a key monitorable.

**North Bengaluru new unit:** 120+ beds added in May 2026 and MR-Linac commissioned. Management expects monthly EBITDA breakeven by Q4FY27 (Jan–Mar 2027), supported by the addition of 36 beds and continued occupancy ramp-up. Ex-North Bangalore revenue grew 14% YoY, with the new unit contributing ~1.6% to overall growth. Management highlighted an ARPP-led growth strategy in the South and volume-led growth in the East and West, with plans to replicate the South model across other regions.

**Payor mix:** Non-institutional revenue grew 21% YoY, significantly ahead of 5% growth in institutional revenue, increasing its share to 69% (+325bps YoY). Within the payor mix, cash and TPA shares increased to 41% and 18%, respectively, while government share declined to 31% from 34%. Management highlighted gradual rationalisation across cash, insurance and corporate segments, with any volume moderation largely restricted to institutional business. Specialty mix remained stable, with medical oncology contributing 40% of revenue; radiation 14%, surgical 20%, OP and other 15%, non-oncology 11%.

**MVT:** Management expects MVT revenue to grow ~25% YoY, increasing its contribution to 4–5% of revenue in FY27 from ~3% last year. While MVT remains a small but high-realisation segment, geopolitical developments remain a key monitorable given its exposure to international patient flows.

**Exceptional items:** Management indicated that no further material provisioning expected in the near term. EPCG exposure is linked to shortfall in export obligations amid geopolitical disruptions impacting international revenue, while MVT income qualifies as export earnings.

**Oncology trade-margin rationalisation:** The 30% trade-margin cap on 137 non-scheduled anti-cancer drugs came into effect in November, with Q3FY27 reflecting a two-month impact. Management expects a mid-to-high single-digit impact on an annualised basis, with the impact limited to a quarter or two and no material impact from FY28, supported by trade-channel optimisation, volume growth and operating efficiencies. Immunotherapy margins are already below the prescribed cap.

**Doctor retention:** Doctor retention stood at 88% in FY26, with 400+ revenue-generating oncologists across the network.

**Guidance:** Management reiterated mid-teens revenue growth and high teens to~20% EBITDA growth guidance. While price capping is expected to have a minor impact in the near term, the company expects to offset the impact and sustain ~20% EBITDA growth from FY28 onwards.

**Exhibit 1:** Quarterly Estimates

| (INR mn) | Q1FY27 | YoY gr. (%) | Q2FY27 | YoY gr. (%) | Q3FY27E | YoY gr. (%) | Q4FY27E | YoY gr. (%) |
|---|---|---|---|---|---|---|---|---|
| Sales | 6,951 | 13.4% | 7,318 | 13.1% | 7,217 | 14.0% | 7,516 | 15.2% |
| EBITDA | 1,269 | 17.7% | 1,364 | 10.6% | 1,452 | 32.4% | 1,679 | 34.2% |
| Margin (%) | 18.3% | | 18.6% | | 20.1% | | 22.3% | |
| Adj. PAT | 184 | 286.7% | 194 | 19.0% | 369 | 1037.6% | 700 | 105.3% |

*Source: Company, PL*

**Exhibit 2:** Q2FY27 Result Overview (INR mn) – In line EBITDA

| Y/e March | 2QFY27 | 2QFY26 | YoY gr. (%) | Q2FY27E | % Var. | 1QFY27 | QoQ gr. (%) | 1HFY27 | 1HFY26 | YoY gr. (%) |
|---|---|---|---|---|---|---|---|---|---|---|
| **Net Sales** | **7,318** | **6,469** | **13.1** | **7,192** | **1.8** | **6,951** | **5.3** | **14,269** | **12,600** | **13.2** |
| COGS | 1,942 | 1,772 | 9.6 | 1,834 | 5.9 | 1,788 | 8.6 | 3,730 | 3,390 | 10.0 |
| *% of Net Sales* | *26.5* | *27.4* | | *25.5* | | *25.7* | | *26.1* | *26.9* | |
| Employee Cost | 1,145 | 942 | 21.6 | 1,064 | 7.6 | 1,045 | 9.5 | 2,190 | 1,920 | 14.1 |
| *% of Net Sales* | *15.6* | *14.6* | | *14.5* | | *15.0* | | *23.1* | *20.3* | |
| Other Expenses | 2,868 | 2,522 | 13.7 | 2,907 | (1.3) | 2,849 | 0.6 | 5,717 | 4,979 | 14.8 |
| *% of Net Sales* | *39.2* | *39.0* | | *40.4* | | *41.0* | | *60.3* | *52.5* | |
| Total | 5,954 | 5,235 | 13.7 | 5,805 | 2.6 | 5,682 | 4.8 | 11,637 | 10,289 | 13.1 |
| **EBITDA** | **1,364** | **1,233** | **10.6** | **1,387** | **(1.7)** | **1,269** | **7.5** | **2,632** | **2,311** | **13.9** |
| *Margins (%)* | *18.6* | *19.1* | *(42.8)* | *19.3* | *(64.9)* | *18.3* | | *18.4* | *18.3* | |
| Other Income | 19 | 26 | (27.1) | 120 | (84.1) | 121 | (84.3) | 140 | 95 | 48.6 |
| Interest | 384 | 436 | (11.9) | 375 | 2.5 | 399 | (3.6) | 783 | 891 | (12.1) |
| Depreciation | 678 | 628 | 8.0 | 700 | (3.1) | 704 | (3.7) | 1,382 | 1,207 | 14.5 |
| **PBT** | **321** | **195** | **NA** | **432** | **(25.8)** | **287** | **11.7** | **608** | **308** | **97.6** |
| Tax | 92 | (8) | (1,200.0) | 95 | (2.7) | 86 | 7.8 | 178 | 51 | 249.2 |
| *Tax rate %* | *28.8* | *(4.3)* | | *22.0* | | *29.9* | | *29.3* | *16.6* | |
| **PAT** | **228** | **204** | **NA** | **337** | **(32.3)** | **201** | **13.4** | **429** | **257** | **67.4** |
| Share in (loss)/profit of associate | 10 | 3 | | - | #DIV/0! | 9 | 7.5 | 19 | 10 | 94.9 |
| Minority Interest | 45 | 44 | | 15 | 197.3 | 27 | 65.8 | 72 | 56 | 27.2 |
| EO items | (146) | - | | - | #DIV/0! | (46) | - | (192) | - | |
| **Reported PAT** | **48** | **163** | **(70.6)** | **322** | **(85.1)** | **138** | **(65.2)** | **186** | **210** | **(11.7)** |

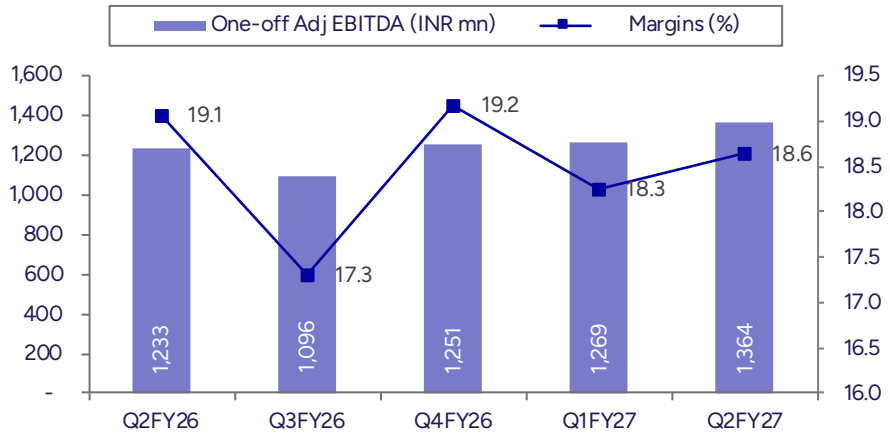
*Source: Company, PL*

**Exhibit 3:** Cluster- wise performance

| Cluster-wise performance | 2QFY27 | 2QFY26 | YoY gr. (%) | 1HFY27 | 1HFY26 | YoY gr. (%) |
|---|---|---|---|---|---|---|
| **South** | | | | | | |
| Revenue (in mn) | 2,941 | 2,500 | 17.6 | 5,706 | 4,884 | 16.8 |
| Overall Volumes (# of IP patients) | 33,104 | 31,970 | 3.5 | 66,019 | 59,898 | 10.2 |
| Overall ARPP | 88,837 | 78,203 | 13.6 | 86,426 | 77,883 | 11.0 |
| **West** | | | | | | |
| Revenue (in mn) | 3,147 | 2,871 | 9.6 | 6,157 | 5,623 | 9.5 |
| Overall Volumes (# of IP patients) | 33,144 | 31,058 | 6.7 | 64,933 | 20,866 | 211.2 |
| Overall ARPP | 94,938 | 92,452 | 2.7 | 94,823 | 93,879 | 1.0 |
| **East** | | | | | | |
| Revenue (in mn) | 928 | 753 | 23.2 | 1,727 | 1,409 | 22.6 |
| Overall Volumes (# of IP patients) | 13,038 | 11,066 | 17.8 | 25,334 | 20,866 | 21.4 |
| Overall ARPP (Rs) | 71,209 | 68,022 | 4.7 | 68,187 | 67,527 | 1.0 |
| **Others** | | | | | | |
| International (Kenya) revenues (in mn) | 302 | 196 | 54.1 | 510 | 387 | 31.8 |
| Milann revenues (in mn) | 0 | 148 | NA | 169 | 297 | (43.1) |
| **Total Revenues (in mn)** | **7,318** | **6,468** | **13.1** | **14,269** | **12,600** | **13.2** |

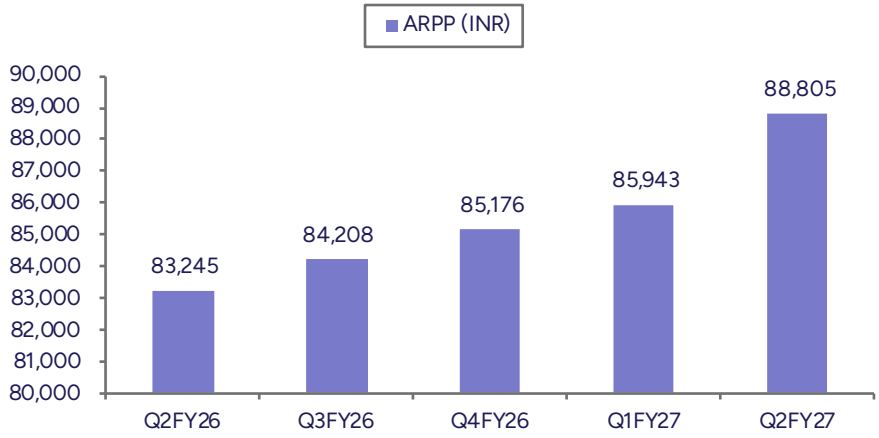
*Source: Company, PL*

**Exhibit 4: Adj for new unit losses; EBITDA growth was at ~17% YoY**



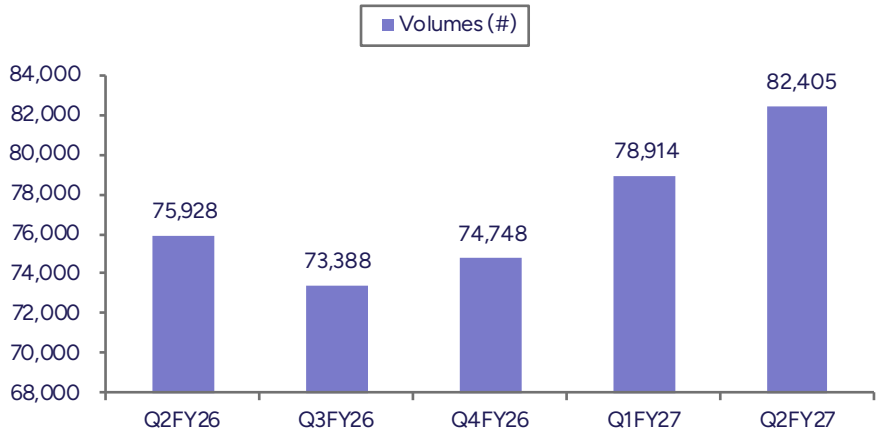

*Source: Company, PL*

**Exhibit 5: ARPP increased by ~7% YoY**




*Source: Company, PL*

**Exhibit 6: Volumes increased by ~9% YoY**




*Source: Company, PL*

## Financials

### Income Statement (INR mn)

| Y/e Mar | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|
| **Net Revenues** | **25,454** | **29,002** | **33,550** | **38,580** |
| *YoY gr. (%)* | *14.5* | *13.9* | *15.7* | *15.0* |
| Cost of Goods Sold | 6,923 | 7,383 | 8,375 | 9,633 |
| Gross Profit | 18,531 | 21,619 | 25,175 | 28,948 |
| *Margin (%)* | *72.8* | *74.5* | *75.0* | *75.0* |
| Employee Cost | 3,786 | 4,240 | 4,749 | 5,462 |
| Other Expenses | 10,087 | 11,858 | 13,588 | 15,032 |
| **EBITDA** | **4,658** | **5,521** | **6,838** | **8,454** |
| *YoY gr. (%)* | *20.3* | *18.5* | *23.9* | *23.6* |
| *Margin (%)* | *18.3* | *19.0* | *20.4* | *21.9* |
| Depreciation and Amortization | 2,442 | 2,784 | 2,923 | 3,069 |
| **EBIT** | **2,216** | **2,737** | **3,915** | **5,385** |
| *Margin (%)* | *8.7* | *9.4* | *11.7* | *14.0* |
| Net Interest | 1,766 | 1,550 | 1,450 | 1,300 |
| Other Income | 250 | 300 | 400 | 550 |
| **Profit Before Tax** | **700** | **1,487** | **2,865** | **4,635** |
| *Margin (%)* | *2.8* | *5.1* | *8.5* | *12.0* |
| Total Tax | 41 | 446 | 859 | 1,391 |
| *Effective Tax Rate (%)* | *5.9* | *30.0* | *30.0* | *30.0* |
| **Profit After Tax** | **659** | **1,041** | **2,005** | **3,245** |
| Minority Interest | 76 | 115 | 130 | 130 |
| Share Profit from Associate | - | - | - | - |
| **Adjusted PAT** | **583** | **926** | **1,875** | **3,115** |
| *YoY gr. (%)* | *31.4* | *58.7* | *102.5* | *66.1* |
| *Margin (%)* | *2.3* | *3.2* | *5.6* | *8.1* |
| Extra Ord. Income / (Exp) | - | - | - | - |
| **Reported PAT** | **138** | **880** | **1,875** | **3,115** |
| *YoY gr. (%)* | *(69.0)* | *539.6* | *113.1* | *66.1* |
| *Margin (%)* | *0.5* | *3.0* | *5.6* | *8.1* |
| Other Comprehensive Income | - | - | - | - |
| Total Comprehensive Income | 138 | 880 | 1,875 | 3,115 |
| **Equity Shares O/s (mn)** | **149** | **149** | **149** | **149** |
| **EPS (INR)** | **3.9** | **6.2** | **12.6** | **20.9** |

*Source: Company, PL*

### Balance Sheet (INR mn)

| Y/e Mar | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|
| **Non-Current Assets** | | | | |
| **Gross Block** | **35,676** | **39,726** | **42,726** | **44,726** |
| Tangibles | 35,676 | 39,726 | 42,726 | 44,726 |
| Intangibles | - | - | - | - |
| **Acc: Dep / Amortization** | **14,868** | **17,651** | **20,574** | **23,643** |
| Tangibles | 14,868 | 17,651 | 20,574 | 23,643 |
| Intangibles | - | - | - | - |
| **Net Fixed Assets** | **20,808** | **22,075** | **22,152** | **21,083** |
| Tangibles | 20,808 | 22,075 | 22,152 | 21,083 |
| Intangibles | - | - | - | - |
| Capital Work In Progress | 186 | 186 | 186 | 186 |
| Goodwill | 3,876 | 3,876 | 3,876 | 3,876 |
| Non-Current Investments | 71 | 71 | 71 | 71 |
| Net Deferred Tax Assets | 376 | 376 | 376 | 376 |
| Other Non-Current Assets | - | - | - | - |
| **Current Assets** | | | | |
| Investments | - | - | - | - |
| Inventories | 598 | 793 | 918 | 1,056 |
| Trade Receivables | 4,207 | 4,918 | 5,690 | 6,545 |
| Cash & Bank Balance | 5,409 | 3,356 | 2,754 | 4,459 |
| Other Current Assets | 3,671 | 3,569 | 4,130 | 4,750 |
| **Total Assets** | **39,225** | **39,243** | **40,176** | **42,425** |
| **Equity** | | | | |
| Equity Share Capital | 1,493 | 1,493 | 1,493 | 1,493 |
| Other Equity | 11,827 | 12,707 | 14,582 | 17,697 |
| **Total Networth** | **13,320** | **14,200** | **16,075** | **19,190** |
| **Non-Current Liabilities** | | | | |
| Long Term Borrowings | 9,104 | 7,104 | 5,104 | 3,104 |
| Provisions | - | - | - | - |
| Other Non Current Liabilities | - | - | - | - |
| **Current Liabilities** | | | | |
| ST Debt / Current of LT Debt | - | - | - | - |
| Trade Payables | 3,510 | 4,283 | 4,956 | 5,700 |
| Other Current Liabilities | 12,485 | 12,735 | 12,990 | 13,250 |
| **Total Equity & Liabilities** | **39,225** | **39,243** | **40,176** | **42,425** |

*Source: Company, PL*

### Cash Flow (INR mn)

| Y/e Mar | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|
| PBT | 659 | 1,041 | 2,005 | 3,245 |
| Add. Depreciation | 2,442 | 2,784 | 2,923 | 3,069 |
| Add. Interest | 1,766 | 1,550 | 1,450 | 1,300 |
| Less Financial Other Income | 250 | 300 | 400 | 550 |
| Add. Other | - | - | - | - |
| Op. Profit before WC Changes | 4,866 | 5,375 | 6,378 | 7,613 |
| Net Changes-WC | (1,395) | 219 | (530) | (608) |
| Direct Tax | - | - | - | - |
| **Net Cash from Op. Activities** | **3,471** | **5,593** | **5,848** | **7,005** |
| Capital Expenditures | (2,921) | (4,050) | (3,000) | (2,000) |
| Interest / Dividend Income | - | - | - | - |
| Others | 1,146 | - | - | - |
| **Net Cash from Invt. Activities** | **(1,775)** | **(4,050)** | **(3,000)** | **(2,000)** |
| Issue of Share Cap. / Premium | 4,440 | - | - | - |
| Debt Changes | 178 | (2,000) | (2,000) | (2,000) |
| Dividend Paid | - | - | - | - |
| Interest Paid | (1,766) | (1,550) | (1,450) | (1,300) |
| Others | (2,616) | - | - | - |
| **Net Cash from Fin. Activities** | **236** | **(3,550)** | **(3,450)** | **(3,300)** |
| **Net Change in Cash** | **1,932** | **(2,007)** | **(602)** | **1,705** |
| Free Cash Flow | 550 | 1,543 | 2,848 | 5,005 |

*Source: Company, PL*

### Quarterly Financials (INR mn)

| Y/e Mar | Q3FY26 | Q4FY26 | Q1FY27 | Q2FY27 |
|---|---|---|---|---|
| **Net Revenues** | **6,331** | **6,523** | **6,951** | **7,318** |
| *YoY gr. (%)* | *13.3* | *11.5* | *13.4* | *13.1* |
| Raw Material Expenses | 1,766 | 1,767 | 1,788 | 1,942 |
| Gross Profit | 4,565 | 4,756 | 5,163 | 5,376 |
| *Margin (%)* | *72.1* | *72.9* | *74.3* | *73.5* |
| **EBITDA** | **1,096** | **1,251** | **1,269** | **1,364** |
| *YoY gr. (%)* | *24.0* | *18.3* | *17.7* | *10.6* |
| *Margin (%)* | *17.3* | *19.2* | *18.3* | *18.6* |
| Depreciation / Depletion | 607 | 628 | 704 | 678 |
| **EBIT** | **490** | **623** | **564** | **686** |
| *Margin (%)* | *7.7* | *9.5* | *8.1* | *9.4* |
| Net Interest | 448 | 427 | 399 | 384 |
| Other Income | 25 | 131 | 121 | 19 |
| **Profit before Tax** | **66** | **326** | **287** | **321** |
| *Margin (%)* | *1.1* | *5.0* | *4.1* | *4.4* |
| Total Tax | 18 | (28) | 86 | 92 |
| *Effective Tax Rate (%)* | *27.5* | *(8.5)* | *29.9* | *28.8* |
| **Profit After Tax** | **48** | **354** | **201** | **228** |
| Minority Interest | 15 | 19 | 27 | 45 |
| Share Profit from Associate | (1) | 5 | 9 | 10 |
| **Adjusted PAT** | **32** | **341** | **184** | **194** |
| *YoY gr. (%)* | *(53.6)* | *363.0* | *286.7* | *19.0* |
| *Margin (%)* | *0.5* | *5.2* | *2.6* | *2.6* |
| Extra Ord. Income / (Exp) | - | - | - | - |
| **Reported PAT** | **(94)** | **22** | **138** | **48** |
| *YoY gr. (%)* | *(216.0)* | *(70.5)* | *189.9* | *(70.6)* |
| *Margin (%)* | *(1.5)* | *0.3* | *2.0* | *0.7* |
| Other Comprehensive Income | - | - | - | - |
| **Total Comprehensive Income** | **(94)** | **22** | **138** | **48** |
| Avg. Shares O/s (mn) | 139 | 149 | 149 | 149 |
| **EPS (INR)** | **-** | **0.1** | **0.9** | **0.3** |

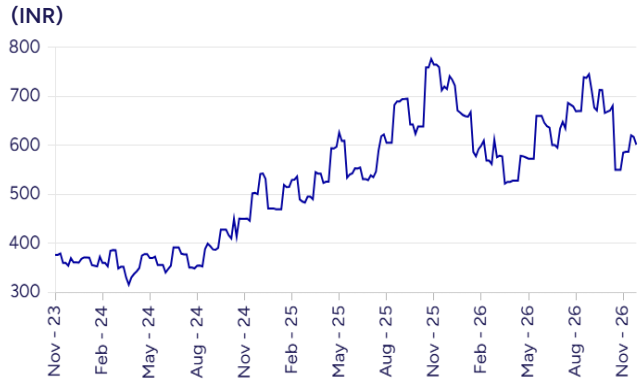
*Source: Company, PL*

### Key Financial Metrics

| Y/e Mar | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|
| **Per Share (INR)** | | | | |
| EPS | 3.9 | 6.2 | 12.6 | 20.9 |
| CEPS | 20.3 | 24.8 | 32.1 | 41.4 |
| BVPS | 89.2 | 95.1 | 107.7 | 128.5 |
| FCF | 3.7 | 10.3 | 19.1 | 33.5 |
| DPS | - | - | - | - |
| **Return Ratio (%)** | | | | |
| RoCE | 10.6 | 12.5 | 18.4 | 24.8 |
| ROIC | 6.6 | 7.6 | 10.5 | 14.2 |
| RoE | 5.2 | 6.7 | 12.4 | 17.7 |
| **Balance Sheet** | | | | |
| Net Debt : Equity (x) | 0.3 | 0.3 | 0.1 | - |
| Net Working Capital (Days) | 19 | 18 | 18 | 18 |
| **Valuation (x)** | | | | |
| PER | 153.5 | 96.7 | 47.8 | 28.8 |
| P/B | 6.7 | 6.3 | 5.6 | 4.7 |
| P/CEPS | 29.6 | 24.1 | 18.7 | 14.5 |
| EV/EBITDA | 20.2 | 17.1 | 13.6 | 10.6 |
| EV/Sales | 3.7 | 3.2 | 2.8 | 2.3 |
| Dividend Yield (%) | - | - | - | - |
| FCFF Yield (%) | 0.6 | 1.7 | 3.2 | 5.6 |
| PEG Ratio | 6.8 | 1.6 | 0.5 | 0.4 |

*Source: Company, PL*

### Price Chart




### Recommendation History

| No. | Date | Rating | TP (INR) | Share Price (INR) |
|---|---|---|---|---|
| 1 | 07-Oct-26 | BUY | 820 | 681 |
| 2 | 01-Oct-26 | BUY | 820 | 666 |
| 3 | 10-Aug-26 | BUY | 820 | 670 |
| 4 | 09-Jul-26 | BUY | 820 | 635 |
| 5 | 21-May-26 | BUY | 820 | 650 |
| 6 | 09-Apr-26 | BUY | 850 | 545 |
| 7 | 10-Feb-26 | BUY | 850 | 586 |
| 8 | 06-Jan-26 | BUY | 850 | 657 |
| 9 | 19-Dec-25 | BUY | 850 | 707 |
| 10 | 05-Dec-25 | BUY | 850 | 717 |

### Analyst Coverage Universe

| Sr. No. | Company Name | Rating | TP (INR) | Share Price (INR) |
|---|---|---|---|---|
| 1 | Ajanta Pharma | BUY | 4250 | 3509 |
| 2 | Anthem Biosciences | BUY | 1050 | 888 |
| 3 | Apollo Hospitals Enterprise | BUY | 10500 | 8371 |
| 4 | Aster DM Quality Care | BUY | 920 | 685 |
| 5 | Aurobindo Pharma | HOLD | 1600 | 1682 |
| 6 | Brigade Enterprises | BUY | 700 | 527 |
| 7 | Cipla | Accumulate | 1450 | 1350 |
| 8 | Divi's Laboratories | Accumulate | 8600 | 9588 |
| 9 | Dr. Reddy's Laboratories | Accumulate | 1350 | 1230 |
| 10 | Eris Lifesciences | BUY | 1500 | 1100 |
| 11 | Fortis Healthcare | BUY | 1050 | 764 |
| 12 | Global Health | BUY | 1700 | 1402 |
| 13 | HealthCare Global Enterprises | BUY | 820 | 681 |
| 14 | Indoco Remedies | Hold | 325 | 225 |
| 15 | Ipca Laboratories | BUY | 2000 | 1939 |
| 16 | Jupiter Life Line Hospitals | BUY | 330 | 253 |
| 17 | Krishna Institute of Medical Sciences | BUY | 800 | 731 |
| 18 | Lupin | Accumulate | 2250 | 2009 |
| 19 | Max Healthcare Institute | BUY | 1080 | 896 |
| 20 | Narayana Hrudayalaya | BUY | 2350 | 1834 |
| 21 | Oberoi Realty | BUY | 2100 | 1676 |
| 22 | Prestige Estates Projects | BUY | 1800 | 1429 |
| 23 | Rainbow Children's Medicare | BUY | 1650 | 1239 |
| 24 | Sai Life Sciences | BUY | 1620 | 1390 |
| 25 | Sun Pharmaceutical Industries | BUY | 2150 | 1778 |
| 26 | Sunteck Realty | BUY | 450 | 280 |
| 27 | Torrent Pharmaceuticals | BUY | 5500 | 4524 |
| 28 | Zydus Lifesciences | Accumulate | 1191 | 1188 |

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

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

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