

CMP: ₹ 650

Target: ₹ 820(26%)

Target Period: 12 months

BUY

February 10, 2026

Strong momentum; margins weakness transient...

About the stock: Krishna Institute of Medical Sciences (KIMS) was incorporated in the year 2000 and is one of the largest corporate healthcare groups in Andhra Pradesh and Telangana in terms of patients treated and treatments offered. The hospital operates in five geographic clusters- i) Andhra Pradesh; ii) Telangana; iii) Maharashtra; iv) Karnataka and v) Kerala.

It manages 25 multispecialty hospitals under the KIMS hospitals brand and services more than 40 specialties and super specialties, including cardiac sciences, oncology, neurosciences, gastric sciences, orthopaedics, organ transplantation, renal sciences and mother and childcare.

Investment Rationale:

- Q3FY26 – Upbeat revenues; early losses in new hospitals impact margins** - Revenues grew ~29% YoY to ₹ 998 crore, driven by 134% growth in Maharashtra Cluster to ₹131 crore. Legacy Andhra Pradesh Cluster grew 11% to ~₹ 232 crore and the Telangana Cluster also grew ~11% to ₹ 560 crore. Consolidated EBITDA grew 6% YoY to ₹ 199 crore and EBITDA margins stood at 20% (down 430 bps YoY) mainly due to higher initial fixed costs at Thane and Nashik Facilities (in Maharashtra Cluster); Mahadevpura and Electronic city facility (in Bengaluru Cluster); Kollam facility (in Kerala cluster). Consolidated ARPOB for the quarter stood at ₹ 46,341 growing ~20% YoY owing to addition of high ARPOB fetching facilities in Thane and Bengaluru. IP volume grew 13% YoY with an OP to IP conversion of ~11%.
- Expansion in new geographies as per plan**- Dent in EBITDA margins was attributable to the commissioning of new hospitals (965 beds addition in H1). KIMS continues to perform better in its' key markets of Andhra Pradesh and Telangana with its' strategy of shifting its payor mix more toward cash and insured patients (in Andhra) to improve ARPOB and margins. This along with foray in new high ARPOB fetching markets of Bengaluru and Thane bodes well for more profitable growth. Having demonstrated one of the best unit economics despite having one of the lowest ARPOBs in the industry, KIMS has proved that even tier II tier III city hospitals can have better earnings profile with a right strategy. It is now entering into a significant expansion mode in high-earnings geographies with a methodical stepwise approach. The strategy is in sync with the pan-India peers who want to cash in on growing healthcare needs and improving investment feasibility. We believe the company is well poised to grow with focus on both metros and tier II-III.

Rating and Target price

- We assign BUY with a target price of ₹ 820 based on 25x FY28E EBITDA of ₹1383 crore.

Key Financial Summary

| Particulars (in ₹ Crore) | FY22 | FY23 | FY24 | FY25 | 3-Year CAGR FY22-25 (%) | FY26E | FY27E | FY28E | 3-Year CAGR FY25-28E (%) |
|-----------------------------|--------|--------|--------|--------|----------------------------|--------|--------|--------|-----------------------------|
| Revenues | 1650.8 | 2197.7 | 2498.2 | 3035.0 | 22.5 | 3902.6 | 4760.9 | 5519.0 | 22.1 |
| EBITDA | 515.8 | 604.0 | 640.5 | 782.7 | 14.9 | 833.7 | 1125.9 | 1383.1 | 20.9 |
| EBITDA Margins (%) | 31.2 | 27.5 | 25.6 | 25.8 | | 21.4 | 23.6 | 25.1 | |
| Net Profit | 343.8 | 336.2 | 337.2 | 414.5 | 6.4 | 290.9 | 532.8 | 732.8 | 20.9 |
| EPS (Adjusted) | 8.1 | 8.8 | 7.8 | 9.3 | | 6.9 | 12.4 | 17.0 | |
| PE (x) | 78.2 | 77.3 | 83.6 | 67.6 | | 94.5 | 52.5 | 38.2 | |
| EV to EBITDA (x) | 50.6 | 43.8 | 42.2 | 35.6 | | 34.1 | 25.1 | 20.2 | |
| RoCE (%) | 29.6 | 22.2 | 17.5 | 15.2 | | 11.8 | 17.0 | 20.4 | |
| RoE (%) | 23.3 | 21.0 | 17.0 | 17.5 | | 12.1 | 18.0 | 20.0 | |

Source: Company, ICICI Direct Research



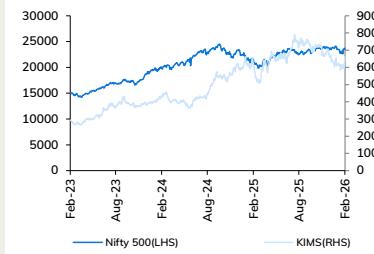
Particulars

| Particular | Amount |
|-----------------------|---------------|
| Market Capitalisation | ₹ 24809 crore |
| Debt (FY25) | ₹ 1906 crore |
| Cash (FY25) | ₹ 56 crore |
| EV | ₹ 26659 crore |
| 52 week H/L | 798/474 |
| Equity capital | ₹ 80 crore |
| Face value | ₹ 2 |

Shareholding pattern

| Particular | Mar-25 | Jun-25 | Sep-25 | Dec-25 |
|------------|--------|--------|--------|--------|
| Promoters | 38.8 | 34.1 | 34.1 | 34.1 |
| FIs | 15.4 | 15.5 | 15.0 | 14.3 |
| DIs | 32.0 | 31.7 | 32.1 | 32.7 |
| Others | 13.8 | 18.7 | 18.7 | 18.8 |

Price Chart



Key risks

(i) Higher than expected competition in specific geographic clusters.

(ii) Delay in project executions.

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Exhibit 2: Quarterly Summary

| (₹ crore) | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25 | Q2FY25 | Q3FY25 | Q4FY25 | Q1FY26 | Q2FY26 | Q3FY26 | YoY (%) | QoQ (%) |
|-------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------|----------|
| Net Sales | 562.2 | 575.9 | 606.0 | 652.5 | 605.8 | 633.8 | 688.4 | 777.3 | 772.4 | 796.9 | 871.6 | 960.7 | 997.7 | 29.2 | 3.9 |
| Raw Material Expense | 123.5 | 122.1 | 130.0 | 140.4 | 125.6 | 134.3 | 142.6 | 155.5 | 161.8 | 167.1 | 184.0 | 195.2 | 196.9 | 21.7 | 0.9 |
| % of Revenue | 22.0 | 21.2 | 21.5 | 21.5 | 20.7 | 21.2 | 20.7 | 20.0 | 20.9 | 21.0 | 21.1 | 20.3 | 19.7 | -121 bps | -58 bps |
| Gross Profit | 438.7 | 453.8 | 476.0 | 512.1 | 480.3 | 499.5 | 545.8 | 621.8 | 610.6 | 629.8 | 687.6 | 765.5 | 800.8 | 31.1 | 4.6 |
| Gross Profit Margin (%) | 78.0 | 78.8 | 78.5 | 78.5 | 79.3 | 78.8 | 79.3 | 80.0 | 79.1 | 79.0 | 78.9 | 79.7 | 80.3 | 121 bps | 58 bps |
| Employee Expenses | 87.2 | 91.8 | 103.9 | 105.7 | 104.3 | 108.5 | 118.6 | 119.2 | 127.5 | 134.1 | 151.0 | 174.5 | 176.3 | 38.3 | 1.0 |
| % of Revenue | 15.5 | 15.9 | 17.1 | 16.2 | 17.2 | 17.1 | 17.2 | 15.3 | 16.5 | 16.8 | 17.3 | 18.2 | 17.7 | 116 bps | -49 bps |
| Other Expenditure | 200.3 | 198.8 | 215.1 | 229.1 | 228.9 | 232.0 | 247.8 | 284.5 | 295.9 | 297.7 | 344.0 | 387.0 | 425.6 | 43.8 | 10.0 |
| % of Revenue | 35.6 | 34.5 | 35.5 | 35.1 | 37.8 | 36.6 | 36.0 | 36.6 | 38.3 | 37.4 | 39.5 | 40.3 | 42.7 | 435 bps | 237 bps |
| Total Expenditure | 411.0 | 412.7 | 449.0 | 475.2 | 458.7 | 474.8 | 509.0 | 559.2 | 585.2 | 598.9 | 679.0 | 756.7 | 798.8 | 36.5 | 5.6 |
| % of Revenue | 73.1 | 71.7 | 74.1 | 72.8 | 75.7 | 74.9 | 73.9 | 71.9 | 75.8 | 75.2 | 77.9 | 78.8 | 80.1 | 430 bps | 130 bps |
| EBITDA | 151.2 | 163.2 | 157.1 | 177.3 | 147.1 | 159.0 | 179.4 | 218.1 | 187.2 | 198.0 | 192.6 | 204.0 | 198.9 | 6.3 | -2.5 |
| EBITDA Margin (%) | 26.9 | 28.3 | 25.9 | 27.2 | 24.3 | 25.1 | 26.1 | 28.1 | 24.2 | 24.8 | 22.1 | 21.2 | 19.9 | -430 bps | -130 bps |
| Depreciation | 33.3 | 35.4 | 32.3 | 32.6 | 35.4 | 46.3 | 39.0 | 41.0 | 44.7 | 52.6 | 53.4 | 66.1 | 78.7 | 76.1 | 19.1 |
| Interest | 11.5 | 5.4 | 9.3 | 8.9 | 12.4 | 16.4 | 17.9 | 19.9 | 25.7 | 26.7 | 32.6 | 45.0 | 56.8 | 121.0 | 26.2 |
| Other Income | 6.5 | 4.9 | 3.1 | 2.9 | 3.3 | 3.8 | 4.6 | 5.0 | 17.8 | 4.5 | 7.1 | 4.2 | 5.2 | -70.8 | 23.8 |
| Less: Exceptional Items | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -10.8 | 0.0 | 0.3 | 0.0 | | |
| PBT | 112.8 | 127.3 | 118.6 | 138.7 | 102.6 | 100.1 | 127.1 | 162.2 | 134.6 | 134.0 | 113.7 | 96.8 | 68.6 | -49.0 | -29.1 |
| Total Tax | 31.0 | 28.6 | 31.9 | 36.5 | 25.9 | 28.5 | 31.9 | 41.5 | 42.1 | 27.9 | 28.7 | 24.8 | 16.7 | -60.3 | -32.7 |
| Tax rate (%) | 27.5 | 22.5 | 26.9 | 26.3 | 25.2 | 28.5 | 25.1 | 25.6 | 31.3 | 20.8 | 25.2 | 25.6 | 24.3 | -693 bps | -128 bps |
| PAT before MI | 81.8 | 98.7 | 86.7 | 102.2 | 76.7 | 71.6 | 95.2 | 120.7 | 92.5 | 106.1 | 85.0 | 72.0 | 51.9 | -43.9 | -27.9 |
| Minority Interest | 9.0 | 5.4 | 5.9 | 9.3 | 4.7 | 6.0 | 8.6 | 13.3 | 3.8 | 4.3 | 6.4 | 5.1 | -1.5 | -139.5 | -129.4 |
| PAT | 72.9 | 93.3 | 80.8 | 92.9 | 71.8 | 65.5 | 86.6 | 107.4 | 88.7 | 101.8 | 78.6 | 66.9 | 53.4 | -39.8 | -20.2 |
| PAT Margin (%) | 13.0 | 16.2 | 13.3 | 14.2 | 11.9 | 10.3 | 12.6 | 13.8 | 11.5 | 12.8 | 9.0 | 7.0 | 5.4 | -613 bps | -161 bps |
| EPS (₹) | 1.8 | 2.3 | 2.0 | 2.3 | 1.8 | 1.6 | 2.2 | 2.7 | 2.2 | 2.5 | 2.0 | 1.7 | 1.3 | | |

Source: Company, ICICI Direct Research

Q3FY26 Results / Conference call highlights

Telangana Cluster

- Telangana is a mature market, with revenue growth expected in high single digit to low double-digit range.
- IP volume growth on a YoY basis for 9MFY26 stood at ~5%, which management considers healthy for a mature cluster.
- Reported occupancy appears low (~50–55%) because ~200–250 beds are under renovation and counted in operational beds; actual utilized beds are running at ~80–85% occupancy.
- Kondapur existing facility is operating at ~90–95% occupancy, with space constraints limiting further growth.
- New Kondapur facility (550 beds) expected to drive ~20–25% YoY growth, with a 3 to 4 months period of cost duplication during transition from old facility.
- Telangana cluster occupancy is expected to move towards 75–80% over the next 3–4 years, though percentage occupancy may dip temporarily as new beds get added.
- Renovated beds at Secunderabad are expected to come back online in H2FY27, enabling further volume growth.

Andhra Pradesh Cluster

- Q3 FY26 volumes were impacted due to Arogyasree scheme disruption, including ~1 month of complete halt and additional ramp-down/ramp-up period.
- Management clarified that the dip was temporary, with January volumes already bouncing back to Q2 levels.
- ARPOB and ARPP growth driven by case-mix improvement, pricing, and higher contribution from transplants and oncology services.
- 50 beds in Ongole have been commissioned recently in Q4FY26
- Anantapur cancer center to add ~75 beds by end-March and Rajahmundry Hospital expected to be commissioned towards end of Q4
- Andhra remains the only state where KIMS participates in state government schemes.
- O&M hospital in Komppally is expected to be commissioned from March.

Karnataka (Bengaluru) Cluster

- Two new hospitals Mahadevapura and Electronic City, commissioned in the last 6–9 months. Fixed rental/lease commitment for both these assets is ~₹2.5 crore per month, including revenue-share structure.
- Strong early traction led to elevated ARPOB (~₹76,000) in Q3, partly due to high transplant intensity; management advised some moderation going forward.
- Mahadevapura has full quarterly cost, while Electronic City had only one month of cost in Q3.
- Pricing is currently ~15% lower than competition, with scope for rationalisation over time.
- Doctor onboarding largely completed for Phase-1 growth, with ~200 doctors onboarded across both hospitals. Insurance empanelment in Bangalore expected to take 6–9 months.
- Management is expecting EBITDA breakeven in Mahadevapura facility in Q1FY27 and Electronic City facility in Q3FY27.

Maharashtra Cluster

- The Thane facility is expected to achieve break even in Q4FY26–Q1FY27.
- 2 out of top 5 insurers have been empanelled in the system for Thane and Nashik remaining are expected by the end of Q4.
- Nashik facility has achieved EBITDA breakeven in January (13th month of operations) with ₹8.5 crore revenue per month. It has achieved ECHS empanelment patients intake from this is expected to begin shortly.

Kerala Cluster

- Kannur is ramping up well and top-5 insurers have been fully empanelled.
- Kollam is ~6–7 months old and expected to break even in 1–2 quarters.
- Q3 dip in profitability is attributed partly to one-time expenses, not structural issues.

Other Aspects

- Net debt stood at ~₹2800–2850 crore, but management indicated that Capex-related debt has peaked and ~₹600 crore receivables from government schemes are pending. Debt is expected to decline going forward, barring new large expansions.
- The management expects to spend a capex of ~₹500–600 crore for the final round of expansion.
- Chennai entry finalized via 26-year agreement, construction to complete in ~2 years and the management viewed this as the missing link in South India presence.

Exhibit 3: KIMS Existing bed capacity and planned expansion

| Year | Andhra Pradesh | Telangana | Maharashtra | Kerala | Karnataka | Tamil Nadu |
|---------|-------------------------------|-------------------------------|--------------------|-------------------------------|-----------------------|------------------------|
| 2000 | Nellore - 250 | | | | | |
| 2001 | Rajahmundry - 195 | | | | | |
| 2004 | | Secunderabad - 1000 | | | | |
| 2011 | Srikakulam - 300 | | | | | |
| 2014 | | Kondapur - 220 | | | | |
| 2017 | Ongole - 350 | | | | | |
| 2018 | Vizag - 434 | | | | | |
| 2019 | Anantapur - 250 | | | | | |
| | Kurnool - 200 | | | | | |
| 2022 | | Begumpet - 369 | Nagpur - 334 | | | |
| | | Gachibowli - 223 | | | | |
| 2024 | Vizag II - 335 | Asian Transcare - 60 | Nashik - 325 | Kannur - 189 | | |
| 2025 | Guntur Shikara (O&M) - 200 | | Sangli (O&M) - 350 | Kollam - 320 | Mahadevapura - 450 | |
| | Guntur Chakra (O&M) - 100 | | Thane - 300 | | Electronic City - 350 | |
| Planned | Rajahmundry II - 350 (Q4FY27) | Kondapur II - 550 (Q1FY27) | | Thrissur (O&M) - 351 (Q4FY27) | | Chennai - 300 (Q4FY29) |
| | Anantapur II - 250 (Q4FY26) | Kompally (O&M) - 200 (Q1FY27) | | | | |
| | Ongole - 50 (Q4FY26) | | | | | |
| Total | 3,264 | 2,622 | 1,309 | 860 | 800 | 300 |

Source: Company, ICICI Direct Research

Financial Tables

| Exhibit 3: Profit and loss statement | | | | |
|--|----------------|----------------|----------------|----------------|
| (Year-end March)/ (₹ crore) | FY25 | FY26E | FY27E | ₹ crore |
| Total Operating Income | 3,035.0 | 3,902.6 | 4,760.9 | 5,519.0 |
| Growth (%) | 21.5 | 28.6 | 22.0 | 15.9 |
| Raw Material Expenses | 627.0 | 812.1 | 999.8 | 1,159.0 |
| Gross Profit | 2,408.0 | 3,090.5 | 3,761.1 | 4,360.0 |
| Gross Profit Margins (%) | 79.3 | 79.2 | 79.0 | 79.0 |
| Employee Expenses | 499.4 | 662.7 | 745.8 | 864.5 |
| Other Expenditure | 1,125.9 | 1,594.1 | 1,889.4 | 2,112.4 |
| Total Operating Expenditure | 2,252.3 | 3,068.8 | 3,635.0 | 4,135.9 |
| EBITDA | 782.7 | 833.7 | 1,125.9 | 1,383.1 |
| Growth (%) | 22.2 | 6.5 | 35.0 | 22.8 |
| Interest | 90.2 | 191.2 | 209.1 | 191.0 |
| Depreciation | 177.3 | 276.9 | 277.8 | 297.8 |
| Other Income | 31.9 | 22.1 | 71.4 | 82.8 |
| PBT before Exceptional Items | 547.1 | 387.7 | 710.4 | 977.1 |
| Less: Exceptional Items | -10.8 | 0.3 | 0.0 | 0.0 |
| PBT after Exceptional Items | 557.9 | 387.4 | 710.4 | 977.1 |
| Total Tax | 143.4 | 96.6 | 177.6 | 244.3 |
| PAT before MI | 414.5 | 290.9 | 532.8 | 732.8 |
| PAT | 414.5 | 290.9 | 532.8 | 732.8 |
| Growth (%) | 22.9 | -29.8 | 83.2 | 37.5 |
| EPS (Adjusted) | 9.3 | 6.9 | 12.4 | 17.0 |
| Other income as % of (Cash+investment) | 57% | 27% | 91% | 38% |

Source: Company, ICICI Direct Research

| Exhibit 4: Cash flow statement | | | | |
|-------------------------------------|-----------------|-----------------|---------------|----------------|
| (Year-end March)/ (₹ crore) | FY25 | FY26E | FY27E | ₹ crore |
| Profit/(Loss) after taxation | 416.7 | 275.1 | 495.5 | 681.5 |
| Add: Depreciation & Amortization | 177.2 | 276.9 | 277.8 | 297.8 |
| Net Increase in Current Assets | -164.1 | -101.3 | -58.5 | -102.3 |
| Net Increase in Current Liabilities | 62.0 | 67.6 | 41.1 | 21.1 |
| Others | 90.0 | 191.2 | 209.1 | 191.0 |
| CF from Operating activities | 581.8 | 709.5 | 965.0 | 1,089.2 |
| Investments | 39.8 | 0.0 | 0.0 | 0.0 |
| (Purchase)/Sale of Fixed Assets | -1,137.4 | -929.9 | -550.0 | -550.0 |
| Others | -18.6 | -96.2 | -8.0 | -8.1 |
| CF from Investing activities | -1,116.2 | -1,026.1 | -558.0 | -558.1 |
| (inc)/Dec in Loan | 793.8 | 604.8 | -200.0 | -200.0 |
| Dividend & Dividend tax | 0.0 | 0.0 | 0.0 | 0.0 |
| Other | -250.7 | -191.2 | -209.1 | -191.0 |
| CF from Financing activities | 543.1 | 413.6 | -409.1 | -391.0 |
| Net Cash Flow | 8.7 | 24.7 | -2.0 | 140.1 |
| Cash and Cash Equivalent | 46.9 | 56.0 | 80.7 | 78.7 |
| Cash | 55.6 | 80.7 | 78.7 | 218.7 |
| Free Cash Flow | -555.6 | -220.4 | 415.0 | 539.2 |

Source: Company, ICICI Direct Research

| Exhibit 5: Balance Sheet | | | | |
|-------------------------------|----------------|----------------|----------------|----------------|
| (Year-end March) | FY25 | FY26E | FY27E | ₹ crore |
| Equity Capital | 80.0 | 80.0 | 80.0 | 80.0 |
| Reserve and Surplus | 2,057.8 | 2,190.4 | 2,670.0 | 3,335.4 |
| Total Shareholders funds | 2,137.8 | 2,270.4 | 2,750.0 | 3,415.4 |
| Total Debt | 1,906.0 | 2,510.8 | 2,310.8 | 2,110.8 |
| Deferred Tax Liability | 46.8 | 57.2 | 58.3 | 59.5 |
| Long-Term Provisions | 33.5 | 37.2 | 37.9 | 38.7 |
| Minority Interest | 281.0 | 305.6 | 305.6 | 305.6 |
| Other Non Current Liabilities | 746.6 | 792.2 | 808.0 | 824.2 |
| Source of Funds | 5,151.7 | 5,973.4 | 6,270.7 | 6,754.2 |
| Gross Block - Fixed Assets | 3,785.7 | 5,356.0 | 5,756.0 | 6,156.0 |
| Accumulated Depreciation | 775.8 | 1,052.7 | 1,330.5 | 1,628.3 |
| Net Block | 3,009.9 | 4,303.3 | 4,425.5 | 4,527.7 |
| Capital WIP | 1,213.8 | 573.4 | 723.4 | 873.4 |
| Fixed Assets | 4,223.7 | 4,876.7 | 5,148.9 | 5,401.1 |
| Investments | 0.0 | 0.0 | 0.0 | 0.0 |
| Goodwill on consolidation | 338.6 | 338.6 | 338.6 | 338.6 |
| Other non-Current Assets | 411.0 | 492.5 | 502.4 | 512.4 |
| Long Term Loans and Advances | 5.5 | 7.4 | 7.4 | 7.4 |
| Deferred Tax Assets | 59.9 | 86.8 | 86.8 | 86.8 |
| Inventory | 64.0 | 80.0 | 97.6 | 113.1 |
| Debtors | 395.4 | 484.4 | 521.7 | 604.8 |
| Other Current Assets | 181.9 | 178.2 | 181.8 | 185.4 |
| Cash | 56.0 | 80.7 | 78.7 | 218.7 |
| Total Current Assets | 697.3 | 823.3 | 879.8 | 1,122.1 |
| Creditors | 17.6 | 23.6 | 52.2 | 60.5 |
| Provisions | 26.4 | 27.2 | 27.7 | 28.3 |
| Other Current Liabilities | 540.3 | 601.1 | 613.1 | 625.4 |
| Total Current Liabilities | 584.3 | 651.9 | 693.0 | 714.2 |
| Net Current Assets | 113.0 | 171.4 | 186.7 | 407.9 |
| Application of Funds | 5,151.7 | 5,973.4 | 6,270.8 | 6,754.2 |

Source: Company, ICICI Direct Research

| Exhibit 6: Key ratios | | | | |
|-----------------------------|------|-------|-------|-------|
| (Year-end March) | FY25 | FY26E | FY27E | FY28E |
| Per share data (₹) | | | | |
| Reported EPS | 9.6 | 6.9 | 12.4 | 17.0 |
| Cash EPS | 9.3 | 6.9 | 12.4 | 17.0 |
| BV per share | 53.4 | 56.8 | 68.8 | 85.4 |
| Cash per Share | 1.4 | 2.0 | 2.0 | 5.5 |
| Dividend per share | 0.0 | 0.0 | 0.0 | 0.0 |
| Operating Ratios (%) | | | | |
| Gross Profit Margins | 79.3 | 79.2 | 79.0 | 79.0 |
| EBITDA margins | 25.8 | 21.4 | 23.6 | 25.1 |
| PAT Margins | 12.3 | 7.1 | 10.4 | 12.3 |
| Cash Conversion Cycle | 53.1 | 50.6 | 43.5 | 43.5 |
| Asset Turnover | 0.8 | 0.7 | 0.8 | 0.9 |
| EBITDA conversion Rate | 74.3 | 85.1 | 85.7 | 78.7 |
| Return Ratios (%) | | | | |
| RoE | 17.5 | 12.1 | 18.0 | 20.0 |
| RoCE | 15.2 | 11.8 | 17.0 | 20.4 |
| RoIC | 22.3 | 13.8 | 20.3 | 25.7 |
| Valuation Ratios (x) | | | | |
| P/E | 67.6 | 94.5 | 52.5 | 38.2 |
| EV / EBITDA | 35.6 | 34.1 | 25.1 | 20.2 |
| EV / Net Sales | 9.2 | 7.3 | 5.9 | 5.1 |
| Market Cap / Sales | 8.6 | 6.7 | 5.5 | 4.7 |
| Price to Book Value | 12.2 | 11.5 | 9.5 | 7.6 |
| Solvency Ratios | | | | |
| Debt / EBITDA | 2.4 | 3.0 | 2.1 | 1.5 |
| Debt / Equity | 0.9 | 1.1 | 0.8 | 0.6 |
| Current Ratio | 1.1 | 1.1 | 1.2 | 1.3 |
| Quick Ratio | 1.0 | 1.0 | 1.0 | 1.1 |
| Inventory days | 7.7 | 7.5 | 7.5 | 7.5 |
| Debtor days | 47.6 | 45.3 | 40.0 | 40.0 |
| Creditor days | 2.1 | 2.2 | 4.0 | 4.0 |

Source: Company, ICICI Direct Research

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Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%

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ANALYST CERTIFICATION

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