

November 8, 2023

Q2FY24 Result Update

☑ Change in Estimates | ■ Target | ■ Reco

Change in Estimates

| | Current | | Previous | |
|---------------|---------|--------|----------|--------|
| | FY24E | FY25E | FY24E | FY25E |
| Rating | BUY | | BUY | |
| Target Price | 2,000 | | 2,000 | |
| Sales (Rs.m) | 25,506 | 28,980 | 24,789 | 29,561 |
| % Chng. | 2.9 | (2.0) | | |
| EBITDA (Rs.m) | 6,873 | 7,947 | 6,909 | 8,173 |
| % Chng. | (0.5) | (2.8) | | |
| EPS (Rs.) | 44.0 | 49.6 | 45.0 | 53.0 |
| % Chng. | (2.2) | (6.3) | | |

Key Financials - Consolidated

| Y/e Mar | FY23 | FY24E | FY25E | FY26E |
|----------------|--------|--------|--------|--------|
| Sales (Rs. m) | 21,977 | 25,506 | 28,980 | 32,028 |
| EBITDA (Rs. m) | 6,040 | 6,873 | 7,947 | 8,884 |
| Margin (%) | 27.5 | 26.9 | 27.4 | 27.7 |
| PAT (Rs. m) | 3,215 | 3,524 | 3,971 | 4,444 |
| EPS (Rs.) | 40.2 | 44.0 | 49.6 | 55.5 |
| Gr. (%) | (3.4) | 9.6 | 12.7 | 11.9 |
| DPS (Rs.) | - | 5.8 | 8.1 | 11.6 |
| Yield (%) | - | 0.3 | 0.4 | 0.6 |
| RoE (%) | 21.0 | 19.3 | 18.5 | 17.9 |
| RoCE (%) | 25.3 | 22.2 | 21.6 | 22.0 |
| EV/Sales (x) | 7.0 | 6.1 | 5.4 | 4.8 |
| EV/EBITDA (x) | 25.5 | 22.7 | 19.7 | 17.4 |
| PE (x) | 46.5 | 42.5 | 37.7 | 33.7 |
| P/BV (x) | 9.0 | 7.6 | 6.5 | 5.6 |

Key Data

KRII.BO | KIMS IN

| | |
|---------------------|---------------------|
| 52-W High / Low | Rs.2,230 / Rs.1,282 |
| Sensex / Nifty | 64,976 / 19,444 |
| Market Cap | Rs.150bn/ \$ 1,797m |
| Shares Outstanding | 80m |
| 3M Avg. Daily Value | Rs.234.82m |

Shareholding Pattern (%)

| | |
|-------------------------|-------|
| Promoter's | 38.84 |
| Foreign | 14.24 |
| Domestic Institution | 32.32 |
| Public & Others | 14.60 |
| Promoter Pledge (Rs bn) | 9.39 |

Stock Performance (%)

| | 1M | 6M | 12M |
|----------|-------|------|------|
| Absolute | (2.5) | 24.9 | 26.6 |
| Relative | (1.0) | 18.7 | 19.2 |

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Krishna Institute of Medical Sciences (KIMS IN)

Rating: BUY | CMP: Rs1,870 | TP: Rs2,000

In-line EBITDA; Expansion plans slightly delayed

Quick Pointers:

- Expansion plan across Thane, Bangalore and Kondapur unit slightly delayed and pushed back by 3-6 months.
- 1-1.5% revenue impact from bed expansion in Nashik, Thane and Bangalore.

Krishna Institute of Medical Sciences (KIMS) Q2 operating performance was in-line with our estimate; reported EBITDA growth of 16% YoY to Rs1.8bn. Company's robust cost control, low capital intensive set-up and value accretive acquisitions have ensured good profitability in the past (with EBITDA growth of 34% CAGR over FY18-23). Also recent acquisitions of Sunshine, Nashik and Nagpur are value accretive which will continue to aid growth momentum, in our view. We expect 15% EBITDA CAGR over FY23-25E with healthy return ratios of ~20%. Our FY24E and FY25E EBITDA estimates broadly remains unchanged. We maintain our 'Buy' rating with a TP of Rs. 2,000/share (unchanged) based on 22x Sept 2025E EV/EBITDA. At CMP, the stock is trading at 23x EV/EBITDA (adj for partner's stake) and 38x P/E on FY25E. Any delay in expansion plan will be key risk to our call.

- In-line EBITDA at Rs1.8bn; driven by AP and Nagpur units:** KIMS reported in-line EBITDA of Rs. 1.8bn; up 16% YoY. Consolidated Pre IND AS EBITDA stood at Rs. 1.7bn in Q2. Sunshine reported revenues and Pre IND AS EBITDA of Rs.1.2bn and Rs. 288mn, with OPM of 23.2% (flat QoQ). Nagpur unit reported revenues and Pre IND AS EBITDA were at Rs. 455mn and Rs 57mn resp. with 12.6% OPM. Consolidated OPM was at 27.2% (up 130 bps QoQ); aided by higher profitability in its AP (24.7% vs 22.4% OPM in Q1) and Nagpur units (12.6% vs 6.5% OPM in Q1).
- Healthy ARPOB; improved occupancy due to seasonality:** Occupancy improved QoQ at 76.4% vs 70.4% in Q1 due to seasonality. Sunshine occupancy was at 53% vs 44% in Q1, while Nagpur occupancy was at 80% vs 63% in Q2. Consolidated ARBOB came in at Rs. 31,140/ day in Q2; declined 2% QoQ. Payor mix remains steady at 79% (Cash+ insurance).
- Key con-call takeaways:** (1) **Telangana**- Mgmt undertook onetime expense towards hospital renovation in Telangana units and guided 31% sustainable margins from this cluster. KIMS requires cash of Rs. 5bn to increase its stake to 100% in Kondapur unit. (2) **Thane** –Hospital work is in progress; delayed on account of signing MoU as delayed from partner's end to arrange funding. Mgmt cited capital allocation of Rs4.3bn in case if KIMS enter on its own. Transaction to close by Nov'23 end and expected to be operational by Q4FY25. (3) **Sunshine** – Mgmt anticipates Rs70-80mn cost towards shifting of Secunderabad unit which will be reflected in Q3FY24. Margin guidance closer to 30% for FY25 (4) **Nagpur** – Further margin expansion expected post operationalizing of incremental 80 beds which would result in higher occupancy and ARPOB growth. (5) **Bangalore and Nashik** – 415 beds expansion plan for one hospital in Bangalore is expected to be operational by Q4FY25 with capex of Rs. 3.5-4bn where ARPOB will be at Rs.50k initially. Terms for another hospital (+300 beds) are expected to complete by Jan–Feb 2024. Nashik to commercialized by Q1FY25. (6) Placed order for radiation therapy equipment's worth \$30-40m which will operationalize across units over next 2-3 years.

Exhibit 1: Q2FY24 Result Overview (Rs mn) – In line EBITDA

| Y/e March | 2QFY24 | 2QFY23 | YoY gr. (%) | 1QFY24 | QoQ gr. (%) | 1HFY24 | 1HFY23 | YoY gr. (%) |
|------------------------|--------------|--------------|-------------|--------------|-------------|---------------|---------------|-------------|
| Net Sales | 6,525 | 5,641 | 15.7 | 6,060 | 7.7 | 12,585 | 10,596 | 18.8 |
| COGS | 1,404 | 1,253 | 12.1 | 1,300 | 8.0 | 2,704 | 2,351 | 15.0 |
| <i>% of Net Sales</i> | <i>21.5</i> | <i>22.2</i> | | <i>21.5</i> | | <i>21.5</i> | <i>22.2</i> | |
| Staff Cost | 1,057 | 842 | 25.6 | 1,039 | 1.7 | 2,096 | 1,675 | 25.1 |
| <i>% of Net Sales</i> | <i>16.2</i> | <i>14.9</i> | | <i>17.1</i> | | <i>16.7</i> | <i>15.8</i> | |
| Other Expenses | 2,291 | 2,022 | 13.3 | 2,151 | 6.5 | 4,442 | 3,675 | 20.9 |
| <i>% of Net Sales</i> | <i>35.1</i> | <i>35.8</i> | | <i>35.5</i> | | <i>35.3</i> | <i>34.7</i> | |
| Total | 4,752 | 4,116 | 15.4 | 4,490 | 5.8 | 9,242 | 7,700 | 20.0 |
| EBITDA | 1,773 | 1,524 | 16.3 | 1,571 | 12.9 | 3,343 | 2,896 | 15.4 |
| <i>Margins (%)</i> | <i>27.2</i> | <i>27.0</i> | | <i>25.9</i> | | <i>26.6</i> | <i>27.3</i> | |
| Other Income | 29 | 92 | (68.7) | 31 | (7.4) | 60 | 145 | (58.8) |
| Interest | 89 | 79 | 13.1 | 93 | (4.5) | 182 | 136 | 34.1 |
| Depreciation | 326 | 311 | 4.8 | 323 | 1.1 | 649 | 605 | 7.2 |
| PBT | 1,386 | 1,226 | 13.0 | 1,186 | 16.9 | 2,572 | 2,300 | 11.8 |
| Provision for Taxation | 373 | 314 | 18.9 | 319 | 17.0 | 692 | 595 | 16.3 |
| <i>Tax rate %</i> | <i>26.9</i> | <i>25.6</i> | | <i>26.9</i> | | <i>26.9</i> | <i>25.9</i> | |
| PAT | 1,013 | 912 | 11.0 | 867 | 16.9 | 1,880 | 1,705 | 10.3 |
| Minority Interest | 93 | 90 | 3.9 | 59 | 58.8 | 152 | 182 | (16.9) |
| Reported PAT | 920 | 823 | 11.8 | 808 | 13.9 | 1,728 | 1,522 | 13.5 |

Source: Company, PL

Exhibit 2: Revenue growth aided by AP and Nagpur units

| Cluster wise revenues – Rs mn | FY21 | FY22 | FY23 | H1FY24 |
|-------------------------------|---------------|---------------|---------------|---------------|
| Telangana (KIMS) | 8,560 | 11,066 | 11,096 | 5,984 |
| <i>% total</i> | <i>63.9</i> | <i>66.2</i> | <i>49.9</i> | <i>47.3</i> |
| AP (KIMS) | 2,060 | 2,252 | 2,408 | 3,426 |
| <i>% total</i> | <i>15.4</i> | <i>13.5</i> | <i>10.8</i> | <i>27.1</i> |
| Sunshine | NA | NA | 4,304 | 2,388 |
| <i>% total</i> | | | <i>19.4</i> | <i>18.9</i> |
| Nagpur | NA | NA | 884 | 847 |
| <i>% total</i> | | | <i>4.0</i> | <i>6.7</i> |
| Total | 13,401 | 16,710 | 22,235 | 12,645 |

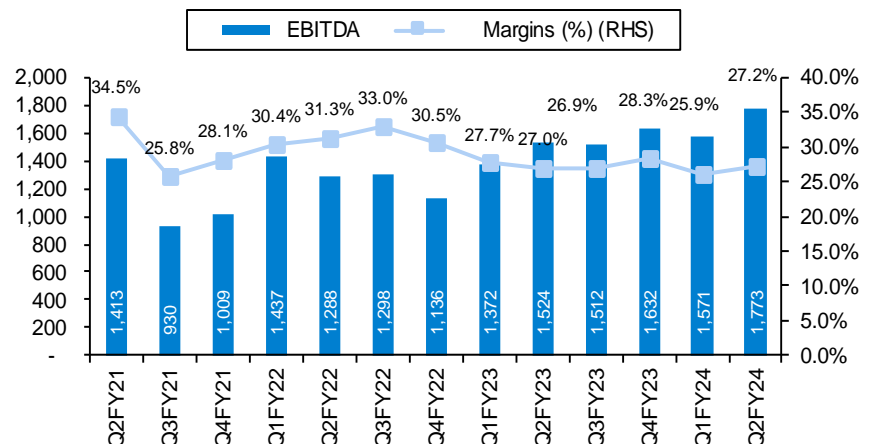
Source: Company, PL

Exhibit 3: Nagpur reported QoQ margin improvement

| Cluster wise EBITDA- Rs mn | FY21 | FY22 | FY23 | H1FY24 |
|----------------------------|--------------|--------------|--------------|--------------|
| Telangana (KIMS) | 2,705 | 3,987 | 3,483 | 1,825 |
| <i>OPM (%)</i> | <i>31.6</i> | <i>36.0</i> | <i>31.4</i> | <i>30.5</i> |
| AP units | 518 | 554 | 753 | 809 |
| <i>OPM (%)</i> | <i>25.1</i> | <i>24.6</i> | <i>31.3</i> | <i>23.6</i> |
| Sunshine | NA | NA | 815 | 554 |
| <i>OPM (%)</i> | | | <i>18.9</i> | <i>23.2</i> |
| Nagpur | NA | NA | 44 | 83 |
| <i>OPM (%)</i> | | | <i>5.0</i> | <i>9.8</i> |
| Total | 3,673 | 5,217 | 5,766 | 3,271 |
| <i>OPM (%)</i> | <i>27.4</i> | <i>31.2</i> | <i>25.9</i> | <i>25.9</i> |

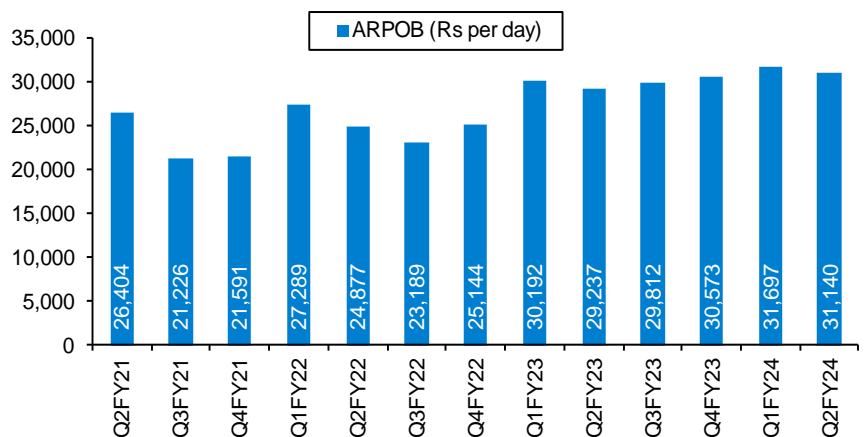
Source: Company, PL

Exhibit 4: Margins improvement QoQ led by AP and Nagpur units



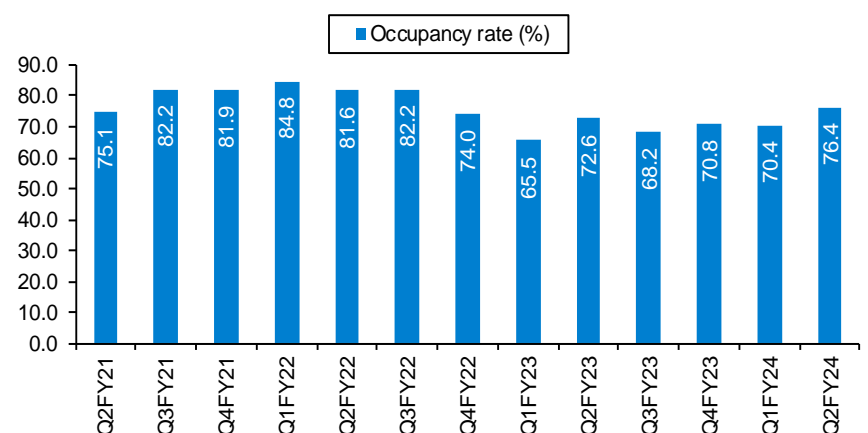
Source: Company, PL

Exhibit 5: ARPOB improved 7% YoY and declined 2% QoQ



Source: Company, PL

Exhibit 6: Occupancy improved QoQ due to seasonality



Source: Company, PL

Financials

Income Statement (Rs m)

| Y/e Mar | FY23 | FY24E | FY25E | FY26E |
|-------------------------------|---------------|---------------|---------------|---------------|
| Net Revenues | 21,977 | 25,506 | 28,980 | 32,028 |
| YoY gr. (%) | 33.1 | 16.1 | 13.6 | 10.5 |
| Cost of Goods Sold | 4,806 | 5,633 | 6,420 | 7,068 |
| Gross Profit | 17,170 | 19,873 | 22,560 | 24,960 |
| Margin (%) | 78.1 | 77.9 | 77.8 | 77.9 |
| Employee Cost | 3,464 | 3,811 | 4,192 | 4,611 |
| Other Expenses | 7,666 | 9,189 | 10,422 | 11,465 |
| EBITDA | 6,040 | 6,873 | 7,947 | 8,884 |
| YoY gr. (%) | 17.1 | 13.8 | 15.6 | 11.8 |
| Margin (%) | 27.5 | 26.9 | 27.4 | 27.7 |
| Depreciation and Amortization | 1,293 | 1,438 | 1,768 | 2,008 |
| EBIT | 4,748 | 5,436 | 6,179 | 6,876 |
| Margin (%) | 21.6 | 21.3 | 21.3 | 21.5 |
| Net Interest | 305 | 360 | 400 | 350 |
| Other Income | 259 | 130 | 150 | 200 |
| Profit Before Tax | 4,701 | 5,206 | 5,929 | 6,726 |
| Margin (%) | 21.4 | 20.4 | 20.5 | 21.0 |
| Total Tax | 1,191 | 1,353 | 1,482 | 1,681 |
| Effective tax rate (%) | 25.3 | 26.0 | 25.0 | 25.0 |
| Profit after tax | 3,510 | 3,852 | 4,447 | 5,044 |
| Minority interest | 295 | 328 | 475 | 600 |
| Share Profit from Associate | - | - | - | - |
| Adjusted PAT | 3,215 | 3,524 | 3,971 | 4,444 |
| YoY gr. (%) | (3.4) | 9.6 | 12.7 | 11.9 |
| Margin (%) | 14.6 | 13.8 | 13.7 | 13.9 |
| Extra Ord. Income / (Exp) | - | - | - | - |
| Reported PAT | 3,215 | 3,524 | 3,971 | 4,444 |
| YoY gr. (%) | (3.4) | 9.6 | 12.7 | 11.9 |
| Margin (%) | 14.6 | 13.8 | 13.7 | 13.9 |
| Other Comprehensive Income | - | - | - | - |
| Total Comprehensive Income | 3,215 | 3,524 | 3,971 | 4,444 |
| Equity Shares O/s (m) | 80 | 80 | 80 | 80 |
| EPS (Rs) | 40.2 | 44.0 | 49.6 | 55.5 |

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

| Y/e Mar | FY23 | FY24E | FY25E | FY26E |
|---------------------------------------|---------------|---------------|---------------|---------------|
| Non-Current Assets | | | | |
| Gross Block | 17,463 | 23,963 | 29,463 | 33,463 |
| Tangibles | 17,463 | 23,963 | 29,463 | 33,463 |
| Intangibles | - | - | - | - |
| Acc: Dep / Amortization | 4,586 | 6,024 | 7,792 | 9,799 |
| Tangibles | 4,586 | 6,024 | 7,792 | 9,799 |
| Intangibles | - | - | - | - |
| Net fixed assets | 12,878 | 17,940 | 21,672 | 23,664 |
| Tangibles | 12,878 | 17,940 | 21,672 | 23,664 |
| Intangibles | - | - | - | - |
| Capital Work In Progress | 6,475 | 6,475 | 6,475 | 6,475 |
| Goodwill | 3,080 | 3,080 | 3,080 | 3,080 |
| Non-Current Investments | 679 | 679 | 679 | 679 |
| Net Deferred tax assets | (90) | (90) | (90) | (90) |
| Other Non-Current Assets | - | - | - | - |
| Current Assets | | | | |
| Investments | - | - | - | - |
| Inventories | 429 | 561 | 640 | 704 |
| Trade receivables | 2,527 | 2,806 | 3,198 | 3,521 |
| Cash & Bank Balance | 664 | 612 | 360 | 683 |
| Other Current Assets | 1,917 | 2,109 | 2,319 | 2,551 |
| Total Assets | 29,413 | 35,027 | 39,188 | 42,124 |
| Equity | | | | |
| Equity Share Capital | 800 | 800 | 800 | 800 |
| Other Equity | 15,895 | 18,955 | 22,277 | 25,792 |
| Total Networth | 16,695 | 19,756 | 23,077 | 26,593 |
| Non-Current Liabilities | | | | |
| Long Term borrowings | 4,974 | 6,774 | 6,774 | 5,274 |
| Provisions | - | - | - | - |
| Other non current liabilities | - | - | - | - |
| Current Liabilities | | | | |
| ST Debt / Current of LT Debt | 358 | 358 | 358 | 358 |
| Trade payables | 1,743 | 2,105 | 2,398 | 2,641 |
| Other current liabilities | 1,017 | 1,081 | 1,151 | 1,229 |
| Total Equity & Liabilities | 29,413 | 35,027 | 39,188 | 42,124 |

Source: Company Data, PL Research

**Cash Flow (Rs m)**

| Y/e Mar | FY23 | FY24E | FY25E | FY26E |
|---------------------------------------|----------------|----------------|----------------|----------------|
| PBT | 4,701 | 5,206 | 5,929 | 6,726 |
| Add. Depreciation | 1,293 | 1,438 | 1,768 | 2,008 |
| Add. Interest | 305 | 360 | 400 | 350 |
| Less Financial Other Income | 259 | 130 | 150 | 200 |
| Add. Other | (81) | - | - | - |
| Op. profit before WC changes | 6,218 | 7,003 | 8,097 | 9,084 |
| Net Changes-WC | (943) | (178) | (317) | (300) |
| Direct tax | (954) | (1,353) | (1,482) | (1,681) |
| Net cash from Op. activities | 4,321 | 5,472 | 6,298 | 7,102 |
| Capital expenditures | (7,883) | (6,500) | (5,500) | (4,000) |
| Interest / Dividend Income | - | - | - | - |
| Others | 2,929 | - | - | - |
| Net Cash from Invt. activities | (4,954) | (6,500) | (5,500) | (4,000) |
| Issue of share cap. / premium | - | - | - | - |
| Debt changes | 1,483 | 1,800 | - | (1,500) |
| Dividend paid | - | (464) | (650) | (928) |
| Interest paid | (305) | (360) | (400) | (350) |
| Others | (185) | - | - | - |
| Net cash from Fin. activities | 993 | 976 | (1,050) | (2,778) |
| Net change in cash | 360 | (52) | (252) | 324 |
| Free Cash Flow | (3,562) | (1,028) | 798 | 3,102 |

Source: Company Data, PL Research

Key Financial Metrics

| Y/e Mar | FY23 | FY24E | FY25E | FY26E |
|----------------------------|--------|--------|-------|-------|
| Per Share(Rs) | | | | |
| EPS | 40.2 | 44.0 | 49.6 | 55.5 |
| CEPS | 56.3 | 62.0 | 71.7 | 80.6 |
| BVPS | 208.6 | 246.9 | 288.4 | 332.3 |
| FCF | (44.5) | (12.8) | 10.0 | 38.8 |
| DPS | - | 5.8 | 8.1 | 11.6 |
| Return Ratio(%) | | | | |
| RoCE | 25.3 | 22.2 | 21.6 | 22.0 |
| ROIC | 16.5 | 15.8 | 15.9 | 16.6 |
| RoE | 21.0 | 19.3 | 18.5 | 17.9 |
| Balance Sheet | | | | |
| Net Debt : Equity (x) | 0.3 | 0.3 | 0.3 | 0.2 |
| Net Working Capital (Days) | 20 | 18 | 18 | 18 |
| Valuation(x) | | | | |
| PER | 46.5 | 42.5 | 37.7 | 33.7 |
| P/B | 9.0 | 7.6 | 6.5 | 5.6 |
| P/CEPS | 33.2 | 30.2 | 26.1 | 23.2 |
| EV/EBITDA | 25.5 | 22.7 | 19.7 | 17.4 |
| EV/Sales | 7.0 | 6.1 | 5.4 | 4.8 |
| Dividend Yield (%) | - | 0.3 | 0.4 | 0.6 |

Source: Company Data, PL Research

Quarterly Financials (Rs m)

| Y/e Mar | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 |
|-----------------------------------|--------------|--------------|--------------|--------------|
| Net Revenue | 5,622 | 5,759 | 6,060 | 6,525 |
| YoY gr. (%) | 42.8 | 54.7 | 22.3 | 15.7 |
| Raw Material Expenses | 1,235 | 1,221 | 1,300 | 1,404 |
| Gross Profit | 4,387 | 4,538 | 4,760 | 5,121 |
| Margin (%) | 78.0 | 78.8 | 78.5 | 78.5 |
| EBITDA | 1,512 | 1,632 | 1,571 | 1,773 |
| YoY gr. (%) | 16.5 | 43.7 | 14.5 | 16.3 |
| Margin (%) | 26.9 | 28.3 | 25.9 | 27.2 |
| Depreciation / Depletion | 333 | 354 | 323 | 326 |
| EBIT | 1,179 | 1,278 | 1,248 | 1,447 |
| Margin (%) | 21.0 | 22.2 | 20.6 | 22.2 |
| Net Interest | 115 | 54 | 93 | 89 |
| Other Income | 65 | 49 | 31 | 29 |
| Profit before Tax | 1,128 | 1,273 | 1,186 | 1,386 |
| Margin (%) | 20.1 | 22.1 | 19.6 | 21.2 |
| Total Tax | 310 | 286 | 319 | 373 |
| Effective tax rate (%) | 27.5 | 22.5 | 26.9 | 26.9 |
| Profit after Tax | 818 | 987 | 867 | 1,013 |
| Minority interest | 58 | 54 | 59 | 93 |
| Share Profit from Associates | - | - | - | - |
| Adjusted PAT | 760 | 933 | 808 | 920 |
| YoY gr. (%) | (6.3) | 15.6 | 15.5 | 11.8 |
| Margin (%) | 13.5 | 16.2 | 13.3 | 14.1 |
| Extra Ord. Income / (Exp) | - | - | - | - |
| Reported PAT | 760 | 933 | 808 | 920 |
| YoY gr. (%) | (6.3) | 15.6 | 15.5 | 11.8 |
| Margin (%) | 13.5 | 16.2 | 13.3 | 14.1 |
| Other Comprehensive Income | - | - | - | - |
| Total Comprehensive Income | 760 | 933 | 808 | 920 |
| Avg. Shares O/s (m) | 80 | 80 | 80 | 80 |
| EPS (Rs) | 9.5 | 9.8 | 10.1 | 11.5 |

Source: Company Data, PL Research

Price Chart
Recommendation History


| No. | Date | Rating | TP (Rs.) | Share Price (Rs.) |
|-----|-----------|--------|----------|-------------------|
| 1 | 07-Oct-23 | BUY | 2,000 | 1,918 |
| 2 | 09-Aug-23 | BUY | 2,000 | 1,831 |
| 3 | 06-Jul-23 | BUY | 1,660 | 1,782 |
| 4 | 20-May-23 | BUY | 1,660 | 1,527 |
| 5 | 06-Apr-23 | BUY | 1,660 | 1,415 |
| 6 | 20-Mar-23 | BUY | 1,660 | 1,349 |
| 7 | 12-Feb-23 | BUY | 1,660 | 1,469 |
| 8 | 06-Jan-23 | BUY | 1,660 | 1,505 |
| 9 | 14-Nov-22 | BUY | 1,660 | 1,448 |

Analyst Coverage Universe

| Sr. No. | Company Name | Rating | TP (Rs) | Share Price (Rs) |
|---------|---------------------------------------|------------|---------|------------------|
| 1 | Apollo Hospitals Enterprise | BUY | 5,800 | 5,060 |
| 2 | Aster DM Healthcare | BUY | 345 | 327 |
| 3 | Aurobindo Pharma | Accumulate | 900 | 901 |
| 4 | Cipla | BUY | 1,350 | 1,174 |
| 5 | Divi's Laboratories | Reduce | 3,150 | 3,522 |
| 6 | Dr. Reddy's Laboratories | Reduce | 5,300 | 5,397 |
| 7 | Eris Lifesciences | BUY | 910 | 900 |
| 8 | Fortis Healthcare | BUY | 365 | 328 |
| 9 | Glenmark Pharmaceuticals | Reduce | 570 | 794 |
| 10 | HealthCare Global Enterprises | BUY | 385 | 361 |
| 11 | Indoco Remedies | BUY | 385 | 350 |
| 12 | Ipca Laboratories | Hold | 880 | 934 |
| 13 | J.B. Chemicals & Pharmaceuticals | BUY | 1,500 | 1,500 |
| 14 | Krishna Institute of Medical Sciences | BUY | 2,000 | 1,918 |
| 15 | Lupin | Hold | 1,010 | 1,155 |
| 16 | Max Healthcare Institute | BUY | 675 | 601 |
| 17 | Narayana Hrudayalaya | BUY | 1,110 | 1,092 |
| 18 | Sun Pharmaceutical Industries | BUY | 1,280 | 1,116 |
| 19 | Suntech Realty | BUY | 565 | 436 |
| 20 | Torrent Pharmaceuticals | BUY | 2,250 | 1,877 |
| 21 | Zydus Lifesciences | Accumulate | 670 | 599 |

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 |

ANALYST CERTIFICATION

(Indian Clients)

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