

CMP: ₹ 840

Target: ₹ 990 (18%)

Target Period: 12 months

May 23, 2023

## Strong numbers with sequential ARPOB improvement

**About the stock:** Narayana Hrudayalaya operates a chain of multispecialty, tertiary & primary healthcare facilities that initially focused on cardiac & renal but expanded to cancer, neurology, neurosurgery, orthopaedics and gastroenterology facilities.

- NHL's network comprises 19 hospitals (including one managed hospital), four heart centres, 21 primary healthcare facilities (including clinics and information centres) and a multi-speciality hospital in Cayman Islands)
- Revenue mix Q4FY23 – India: ₹ 977 crore; (Bengaluru: 38%, Southern Peripheral: 6%, Kolkata: 27%, Eastern Peripheral: 9%, Western: 5%, Northern: 14%); Cayman Islands: US\$29.3 million

**Q4FY23 Results:** Revenues in line with significant beat on margins.

- Revenues improved 8.3% QoQ to ₹ 1221.5 crore
- EBITDA grew 8.4% QoQ to ₹ 275.8 crore. EBITDA margins remained flat at 22.6%
- Adjusted PAT was up 12.6% QoQ to ₹ 173.2 crore
- ARPOB for Indian hospitals during the quarter came in at ₹ 36986 vs. 35068 in Q3FY23 whereas Cayman Islands ARPOB was flat sequentially at US\$6027

**What should investors do?** NHL's share price has grown at 46.9% CAGR over the past three years.

- We maintain **BUY** rating due to 1) expectation of better throughput due to improved occupancy levels and ramp-up in new hospitals, 2) consistent performance at Cayman Islands and 3) judicious plan to expand at existing hospitals nearing full utilisation

**Target Price and Valuation:** We value NHL at ₹ 990 with SOTP valuation in India & Cayman hospitals at 14x & 14x FY25E EV/EBITDA, respectively, heart centres at 10x FY25E EV/EBITDA.

**Key triggers for future price performance:**

- Increase in footfalls and improvement in ARPOB are expected to lead flagship hospitals on a steady growth path amid better returns
- New hospitals (Mumbai, Gurugram and Dharamshila) are likely to see an improvement in profit
- Expansion at Cayman Islands in oncology, while being margin dilutive in the near term, is likely to provide significant additional operating leverage

**Alternate Stock Idea:** Apart from NHL, in our healthcare coverage we like Apollo.

- Apollo Hospitals is an integrated healthcare provider undergoing an optical transformation towards creating an omni-channel healthcare platform while turning the new hospitals profitable on the back of a judicious case mix
- BUY** with a target price of ₹ 5460

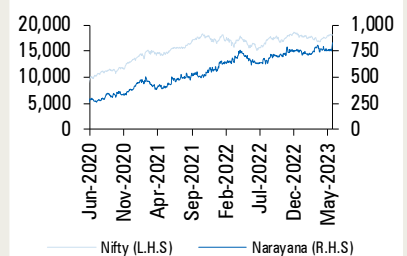
### Particulars

Particular	Amount
Market Capitalisation	₹ 17166 crore
Debt (FY23)	₹ 884 crore
Cash (FY23)	₹ 380 crore
EV	₹ 17671 crore
52 week H/L (₹)	855/590
Equity capital	₹ 204.4 crore
Face value	₹ 10

### Shareholding pattern

(in %)	Jun-22	Sep-22	Dec-22	Mar-23
Promoter	63.9	63.9	63.9	63.9
Others	36.1	36.1	36.1	36.1

### Price Chart



### Recent Event & Key risks

- Contribution from Sparsh Orthopaedic Hospital
- Key Risk:** (i) Delay in capex plans (ii) Slower than expected margins recovery at new hospitals

### Research Analyst

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### Key Financial Summary

Key Financials (₹ Crore)	FY21	FY22	FY23	5 year CAGR (FY17-22)	FY24E	FY25E	2 year CAGR (FY23-25E)
Revenues	2582.3	3700.4	4524.7	14.5	5135.1	5846.7	13.7
EBITDA	182.1	652.6	965.9	23.3	1096.5	1272.8	14.8
EBITDA Margins (%)	7.1	17.6	21.3		21.4	21.8	
Adjusted PAT	-14.3	341.9	606.3	32.3	551.2	653.4	3.8
EPS (₹)	-0.7	16.7	29.7		27.0	32.0	
PE (x)	NA	50.2	28.3		31.1	26.3	
EV to EBITDA (x)	97.5	26.9	18.0		16.1	13.7	
Price to book (x)	15.3	11.5	8.1		6.4	5.2	
RoE (%)	-1.3	23.0	28.4		20.7	19.8	
RoCE (%)	1.2	20.5	25.2		19.1	19.4	

Source: Company, ICICI Direct Research

## Key takeaways of recent quarter & conference call highlights

### Q4FY23 Results: Revenues in line with significant beat on margins

- Revenues improved 8.3% QoQ to ₹ 1221.5 crore. Therapy wise cardiac, oncology and gastro remained major contributors during the quarter. EBITDA grew 8.4% QoQ to ₹ 275.8 crore. EBITDA margins remained flat at 22.6%. Adjusted PAT was up 12.6% QoQ to ₹ 173.2 crore. ARPOB for Indian hospitals during the quarter came in at ₹ 36986 against 35068 in Q3FY23 whereas Cayman Islands' ARPOB was flat sequentially at US\$6027
- Beat on margins was attributable to increased patient footfalls along with improvements in case mix and payor mix, which led to ~ 5% QoQ ARPOB improvement to ~37000. We continue to monitor progress on the capex front, both in India and at HCCI (Cayman) besides the margins trajectory

### Q4FY23 Earnings Conference Call highlights:

- The increase in ARPOB was led by improvement in case mix and payor mix. The newer hospitals supported business growth during the period
- Cluster wise breakup includes: Bengaluru: 38%, Southern Peripheral: 6%, Kolkata: 27%, Eastern Peripheral: 9%, Western: 5%, Northern: 14%) of the total revenue mix
- Payee profile was mainly driven by domestic walk-in patients, which contributed (46%), insured patients (25%), schemes (21%) and international patients (8%)
- Dharamshila delivered 16% EBITDA margins whereas Mumbai came in at 2.3% and Gurugram at 2% during the quarter
- The management expects the India business to grow at the current pace
- Guidance for FY24E capex was at ₹ 1,100 crore. It will be a mix of debt and internal accrual
- Focus remains on exploring other Caribbean islands for providing radiology and oncology treatment
- The management highlighted about increasing patient footfall and its increased focus on Bangladesh markets
- The company has terminated the project with the St Lucia government as there are no favourable growth prospects in future by continuing the same

**Exhibit 1: Variance Analysis**

	Q4FY23	Q4FY23E	Q4FY22	YoY (%)	Q3FY23	QoQ (%)	Comments
Revenue	1,221.5	1,236.6	940.7	29.8%	1,128.2	8.3%	Therapy wise Cardiac, oncology and gastro remained the major contributor during the quarter.
Raw Material Expenses	262.4	262.7	219.9	19.3%	239.7	9.5%	
Employee Expenses	227.3	240.9	196.1	15.9%	219.7	3.4%	
Other Expenditure	456.0	491.3	349.7	30.4%	414.3	10.1%	
Operating Profit (EBITDA)	275.8	241.7	175.1	57.5	254.4	8.4	Sequential improvement on the back of better ARPOB
EBITDA (%)	22.6%	19.5%	18.6%	397 bps	22.6%	3 bps	
Interest	20.6	18.7	16.3	26.7%	18.7	9.9%	
Depreciation	56.3	57.3	46.8	20.4%	57.3	-1.8%	
Other Income	14.7	12.7	9.8	50.2%	11.6	27.0%	
PBT before EO & Forex	213.6	178.3	121.8	75.3	189.9	12.5	
Forex & EO	0.0	0.0	0.0	0.0	0.0	0.0	
PBT after Exceptional Items	213.6	178.3	121.8	75.3	189.9	12.5	
Tax	40.3	33.8	50.3	-19.9	36.0	11.8	
PAT before MI	173.3	144.5	71.5	142.2	153.9	12.6	
MI	0.1	0.1	0.0	220.0	0.1	11.6	
Adjusted Net Profit	173.2	141.8	68.9	151.3	153.8	12.6	Delta vis-a-vis EBITDA and higher other income

**Key Metrics**

Owned/Operated Hospitals	1,178.6	1,202.3	900.1	30.9%	1,092.9	7.8%
Heart Centres	39.1	34.3	29.8	30.9%	32.3	21.0%

Source: Company, ICICI Direct Research

**Exhibit 2: Change in estimates**

₹ Crore	FY23			FY24E			FY25E			Comments
	Old	New	% Change	Old	New	% Change	Old	New	Change	
Revenue	4,539.8	4,524.7	-0.3	5,164.9	5,135.1	-0.6	5,620.0	5,846.7	4.0	
EBITDA	931.8	965.9	3.7	1,122.5	1,096.5	-2.3	1,119.4	1,272.8	13.7	Better profitability from new hospitals
EBITDA Margin	20.5	21.3	82 bps	21.7	21.4	-38 bps	19.9	21.8	185 bps	
PAT	569.1	606.3	6.5	593.6	551.2	-7.1	559.5	653.4	16.8	
EPS (₹)	27.9	29.7	6.5	29.0	27.0	-7.1	27.4	32.0	16.8	

Source: ICICI Direct Research

**Exhibit 3: Assumptions**

₹ crore)	Current						Earlier			
	FY20	FY21	FY22	FY23	FY24E	FY25E	FY23	FY24E	FY25E	
Owned/Operated Hospital:	2,991.0	2,478.2	3,521.5	4,368.9	4,936.4	5,632.7	4,502.8	5,016.8	5,460.0	
Heart Centres	108.1	78.9	118.6	141.9	156.1	171.7	137.1	148.1	159.9	
Other businesses	26.6	21.6	15.4	0.0	0.0	0.0	0.0	0.0	0.0	

Source: ICICI Direct Research

**Exhibit 4: Financial Summary**

	Revenues	Growth	Adj. EPS	Growth	P/E	EV/EBITDA	RoE	RoCE
	(₹ crore)	(%)	(₹)	(%)	(x)	(X)	(%)	(%)
FY21	2582.3	13.2%	-0.7	-111.0%	-1200.3	97.5	-1.3	1.2
FY22	3700.4	43.3%	16.7	LP	50.2	26.9	23.0	20.5
FY23	4524.7	22.3%	29.7	77.3%	28.3	18.0	28.4	25.2
FY24E	5135.1	13.5%	27.0	-9.1%	31.1	16.1	20.7	19.1
FY25E	5846.7	13.9%	32.0	18.6%	26.3	13.7	19.8	19.4

Source: ICICI Direct Research

Exhibit 5: Trends in Quarterly Performance

(₹ Crore)	Q4FY20	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	YoY (%)	QoQ (%)
<b>Total Operating Income</b>	<b>742.9</b>	<b>393.5</b>	<b>600.7</b>	<b>750.4</b>	<b>837.8</b>	<b>859.8</b>	<b>940.3</b>	<b>959.6</b>	<b>940.7</b>	<b>1033.4</b>	<b>1141.6</b>	<b>1128.2</b>	<b>1221.5</b>	<b>29.8</b>	<b>8.3</b>
Raw Material Expenses	178.8	110.5	161.6	198.8	206.9	215.4	237.5	236.4	219.9	241.9	257.2	239.7	262.4	19.3	9.5
% of revenue	24.1	28.1	26.9	26.5	24.7	25.1	25.3	24.6	23.4	23.4	22.5	21.2	21.5		
Gross Profit	564.2	283.0	439.1	551.5	630.8	644.4	702.8	723.3	720.8	791.5	884.4	888.5	959.1	33.1	7.9
Gross Profit Margin (%)	75.9	71.9	73.1	73.5	75.3	74.9	74.7	75.4	76.6	76.6	77.5	78.8	78.5	189.3	-23.6
Employee Expenses	168.0	152.9	147.6	156.7	169.6	190.6	189.3	192.5	196.1	214.9	217.3	219.7	227.3	15.9	3.4
% of revenue	22.6	38.9	24.6	20.9	20.2	22.2	20.1	20.1	20.8	20.8	19.0	19.5	18.6		
Other Manufacturing Expenses	300.5	221.0	264.8	289.9	319.8	320.1	344.6	355.8	349.7	384.6	423.5	414.3	456.0	30.4	10.1
% of revenue	40.4	56.2	44.1	38.6	38.2	37.2	36.6	37.1	37.2	37.2	37.1	36.7	37.3		
Total Expenditure	647.2	484.5	574.0	645.4	696.4	726.1	771.4	784.6	765.6	841.5	897.9	873.7	945.7	23.5	8.2
% of revenue	87.1	123.1	95.5	86.0	83.1	84.5	82.0	81.8	81.4	81.4	78.7	77.4	77.4		
<b>EBITDA</b>	<b>95.7</b>	<b>-91.0</b>	<b>26.8</b>	<b>104.9</b>	<b>141.4</b>	<b>133.7</b>	<b>168.9</b>	<b>175.0</b>	<b>175.1</b>	<b>192.0</b>	<b>243.7</b>	<b>254.4</b>	<b>275.8</b>	<b>57.5</b>	<b>8.4</b>
EBITDA Margins (%)	12.9	-23.1	4.5	14.0	16.9	15.5	18.0	18.2	18.6	18.6	21.3	22.6	22.6	396.8	2.7
Depreciation	55.1	46.4	46.2	46.5	44.5	44.7	45.9	46.1	46.8	47.5	48.9	57.3	56.3	20.4	-1.8
Interest	20.8	19.7	19.4	18.6	18.2	17.1	16.7	16.3	16.3	15.1	15.1	18.7	20.6	26.7	9.9
Other Income	7.0	4.7	10.4	4.6	8.5	6.7	12.1	6.9	9.8	8.0	31.2	11.6	14.7	50.2	27.0
PBT before forex & EO	26.9	-152.4	-28.5	44.5	87.2	78.6	118.5	119.5	121.8	137.5	210.9	189.9	213.6	75.3	12.5
Forex & EO	10.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PBT	16.0	-152.4	-28.5	44.5	87.2	78.6	118.5	119.5	121.8	137.5	210.9	189.9	213.6	75.3	12.5
Total Tax	3.6	-33.7	-26.1	0.8	17.2	0.9	16.8	19.6	50.3	26.7	42.0	36.0	40.3	-19.9	11.8
Tax rate (%)	22.4	22.1	NA	1.8	19.8	1.1	14.2	16.4	41.3	19.4	19.9	19.0	18.9		
PAT after MI	12.0	-119.7	-3.4	40.8	68.0	76.2	99.3	97.5	68.9	110.6	168.8	153.8	173.2	151.3	12.6
<b>Adjusted PAT</b>	<b>22.8</b>	<b>-119.7</b>	<b>-3.4</b>	<b>40.8</b>	<b>68.0</b>	<b>76.2</b>	<b>99.3</b>	<b>97.5</b>	<b>68.9</b>	<b>110.6</b>	<b>168.8</b>	<b>153.8</b>	<b>173.2</b>	<b>151.3</b>	<b>12.6</b>
EPS (₹)	1.1	-5.9	-0.2	2.0	3.3	3.7	4.9	4.8	3.4	5.4	8.3	7.5	8.5	151.3	12.6

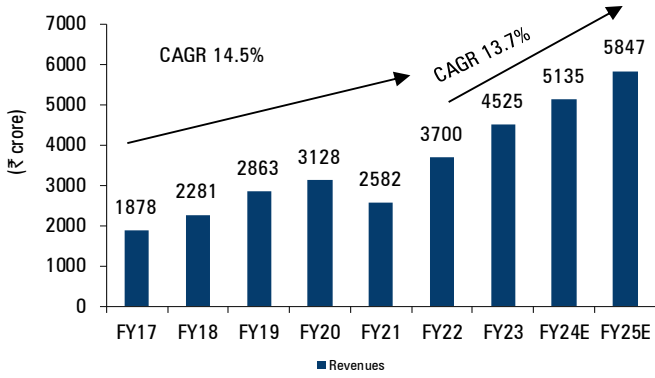
Source: ICICI Direct Research

Exhibit 6: Valuation

Particulars	FY25E (₹ cr)	Valuation Matrix	Multiple (x)	Enterprise value (₹ cr)
India (Owned/Operated)	1142.3	EV/EBITDA	14.0	15991.8
Cayman	307.3	EV/EBITDA	14.0	4301.7
Heart Centres	50.7	EV/EBITDA	10.0	506.5
Other Business	0.0	EV/Sales	1.0	0.0
Net Debt FY25E (₹ cr)				523.2
EV (₹ cr)				20276.7
No of shares (cr)				20.4
<b>Per Share Value (₹)</b>				<b>990.0</b>

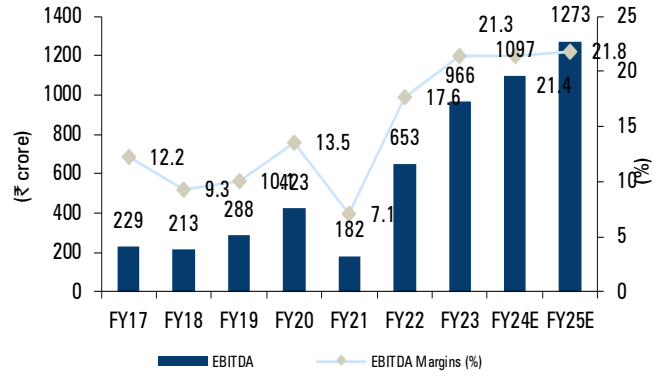
Source: ICICI Direct Research

Exhibit 7: Revenue to grow at 13.7% CAGR over FY23-25E



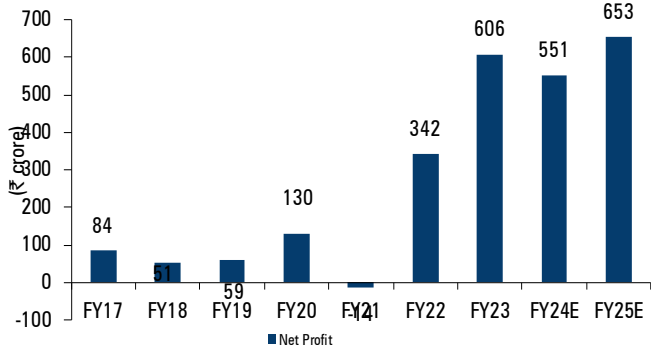
Source: Company, ICICI Direct Research

Exhibit 8: EBITDA & EBITDA margins trend



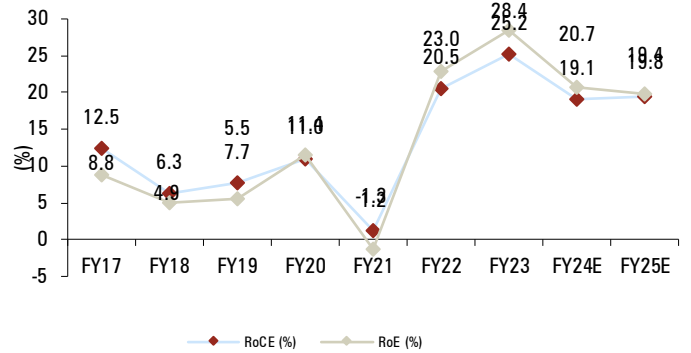
Source: Company, ICICI Direct Research

Exhibit 9: PAT to grow at CAGR of 3.8% over FY23-25E



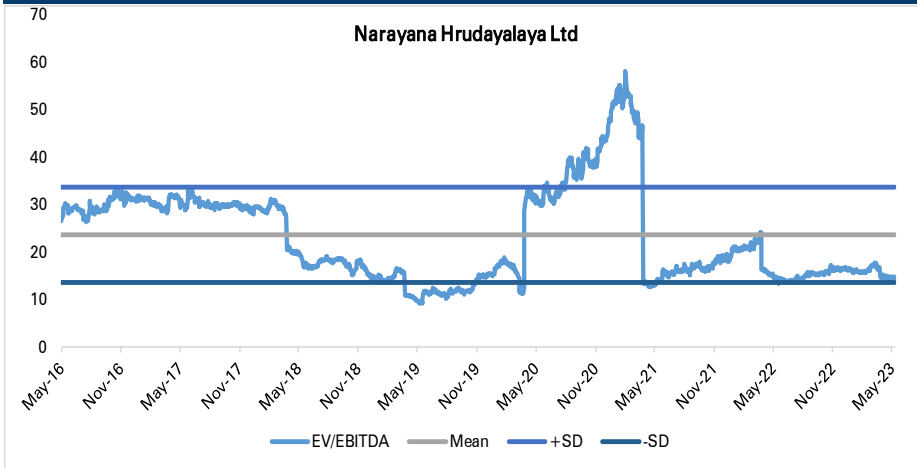
Source: Company, ICICI Direct Research

Exhibit 10: RoE & RoCE trend



Source: Company, ICICI Direct Research

Exhibit 11: EV/EBITDA Band



Source: ICICI Direct Research

## Financial Summary

Exhibit 12: Profit and loss statement				
	₹ crore			
(Year-end March)	FY22	FY23	FY24E	FY25E
<b>Revenues</b>	<b>3,700.4</b>	<b>4,524.7</b>	<b>5,135.1</b>	<b>5,846.7</b>
Growth (%)	43.3	22.3	13.5	13.9
Raw Material Expenses	909.2	1,001.2	1,136.3	1,293.7
Employee Expenses	768.5	879.2	997.8	1,136.1
Other Manufacturing Expenses	1,370.1	1,678.4	1,904.8	2,168.8
Total Operating Expenditure	3,047.8	3,558.8	4,038.5	4,574.0
<b>EBITDA</b>	<b>652.6</b>	<b>965.9</b>	<b>1,096.5</b>	<b>1,272.8</b>
Growth (%)	258.4	48.0	13.5	16.1
Interest	66.3	69.5	124.5	124.5
Depreciation	183.5	210.0	287.9	334.9
Other Income	35.5	65.4	51.4	58.5
PBT before Exceptional Items	438.3	751.8	735.6	871.9
Less: Forex & Exceptional Items	0.0	0.0	0.0	0.0
PBT	438.3	751.8	735.6	871.9
Total Tax	87.7	145.0	183.9	218.0
PAT before MI	350.6	606.8	551.7	654.0
Minority Interest	0.2	0.3	0.3	0.4
<b>PAT</b>	<b>341.9</b>	<b>606.3</b>	<b>551.2</b>	<b>653.4</b>
Adjusted PAT	341.9	606.3	551.2	653.4
Growth (%)		77.3	-9.1	18.6
EPS	16.7	29.7	27.0	32.0
<b>EPS (Adjusted)</b>	<b>16.7</b>	<b>29.7</b>	<b>27.0</b>	<b>32.0</b>

Source: Company, ICICI Direct Research

Exhibit 13: Cash flow statement				
	₹ crore			
(Year-end March)	FY22	FY23	FY24E	FY25E
Profit/(Loss) after taxation	341.9	606.7	551.2	653.4
Add: Depreciation & Amortization	183.5	210.0	287.9	334.9
Net Increase in Current Assets	-182.5	-57.1	-75.8	-87.5
Net Increase in Current Liabilities	72.0	224.1	103.3	118.1
Others	66.3	100.9	124.5	124.5
<b>CF from operating activities</b>	<b>481.2</b>	<b>1,084.6</b>	<b>990.9</b>	<b>1,143.3</b>
(Inc)/dec in Fixed Assets	-219.3	-699.6	-1,000.0	-750.0
(Inc)/dec in Investments	-12.0	-119.5	0.0	0.0
Others	-20.8	-355.0	88.9	7.3
<b>CF from investing activities</b>	<b>-252.1</b>	<b>-1,174.1</b>	<b>-911.1</b>	<b>-742.7</b>
Inc / (Dec) in Equity Capital	0.0	0.0	0.0	0.0
Inc / (Dec) in Debt	-102.3	160.8	700.0	0.0
Dividend & Dividend Tax	-20.4	-51.1	-20.4	-20.4
Others	-66.3	-22.0	-124.5	-124.5
<b>CF from financing activities</b>	<b>-189.0</b>	<b>87.7</b>	<b>555.1</b>	<b>-144.9</b>
Net Cash flow	40.1	-1.8	634.9	255.6
Opening Cash	132.1	172.2	170.4	805.3
Closing Cash	172.2	170.4	805.3	1,061.0
<b>Free Cash Flow</b>	<b>262.0</b>	<b>385.0</b>	<b>-9.1</b>	<b>393.3</b>
<b>EBITDA conversion</b>	<b>74%</b>	<b>112%</b>	<b>90%</b>	<b>90%</b>
<b>FTF yield</b>	<b>2%</b>	<b>2%</b>	<b>0%</b>	<b>2%</b>

Source: Company, ICICI Direct Research

Exhibit 14: Balance Sheet				
	₹ crore			
(Year-end March)	FY22	FY23	FY24E	FY25E
Equity Capital	204.4	204.4	204.4	204.4
Reserve and Surplus	1,284.3	1,927.0	2,457.7	3,090.7
Total Shareholders fund	1,488.6	2,131.4	2,662.1	3,295.1
Total Debt	723.4	884.2	1,584.2	1,584.2
Deferred Tax Liability	51.0	87.0	91.3	95.9
Minority Interest	0.7	1.0	1.1	1.2
Other liabilities	242.9	240.4	252.4	265.0
<b>Source of Funds</b>	<b>2,506.6</b>	<b>3,344.0</b>	<b>4,591.1</b>	<b>5,241.3</b>
Gross Block - Fixed Assets	3,088.7	3,596.0	4,596.0	5,346.0
Accumulated Depreciation	1,167.0	1,377.0	1,664.9	1,999.7
Net Block	1,921.7	2,219.0	2,931.1	3,346.3
Capital WIP	66.9	259.2	259.2	259.2
Net Fixed Assets	1,988.7	2,478.2	3,190.3	3,605.5
Goodwill on Consolidation	58.1	117.4	117.4	117.4
Investments	132.4	251.9	251.9	251.9
Inventory	59.4	71.6	81.2	92.5
Cash	172.2	379.9	805.3	1,061.0
Debtors	436.9	431.5	489.7	557.6
Loans & Advances & Other CA	109.4	159.6	167.6	176.0
Total Current Assets	777.8	1,042.6	1,543.9	1,887.0
Creditors	449.0	615.0	698.0	794.7
Provisions & Other CL	174.0	203.1	213.2	223.9
Total Current Liabilities	623.1	818.1	911.3	1,018.7
Net Current Assets	154.7	224.5	632.6	868.4
LT L&A, Other Assets	171.4	266.5	193.7	203.4
Deferred Tax Assets	1.4	5.6	5.9	6.2
<b>Application of Funds</b>	<b>2,506.6</b>	<b>3,344.0</b>	<b>4,591.2</b>	<b>5,241.3</b>

Source: Company, ICICI Direct Research

Exhibit 15: Key ratios				
(Year-end March)	FY22	FY23	FY24E	FY25E
<b>Per share data (₹)</b>				
EPS	16.7	29.7	27.0	32.0
Cash EPS	24.7	37.4	40.1	47.4
BV	72.8	104.3	130.3	161.2
DPS	1.0	2.5	1.0	1.0
Cash Per Share	57.1	67.4	81.5	97.9
<b>Operating Ratios (%)</b>				
EBITDA margins	17.6	21.3	21.4	21.8
Net Profit margins	9.2	13.4	10.7	11.2
Cash Conversion cycle	-113.3	-163.3	-163.3	-163.3
Asset Turnover	1.2	1.3	1.2	1.1
<b>Return Ratios (%)</b>				
RoE	23.0	28.4	20.7	19.8
RoCE	20.5	25.2	19.1	19.4
RoIC	22.5	31.9	25.4	26.2
<b>Valuation Ratios (x)</b>				
P/E	50.2	28.3	31.1	26.3
EV / EBITDA	26.9	18.0	16.1	13.7
EV / Revenues	4.8	3.8	3.4	3.0
Market Cap / Revenues	4.6	3.8	3.3	2.9
Price to Book Value	11.5	8.1	6.4	5.2
<b>Solvency Ratios</b>				
Net Debt / Equity	0.4	0.3	0.5	0.4
Net Debt / EBITDA	0.6	0.3	0.5	0.2
Current Ratio	1.0	0.8	0.8	0.8

Source: Company, ICICI Direct Research

Exhibit 16: ICICI Direct Healthcare Coverage Universe

Company	I-Direct Code	CMP (₹)	TP (₹)	Rating	M Cap (₹ cr)	EPS (₹)				EV/EBITDA(x)				RoCE (%)			RoE (%)				
						FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY25E	
<b>Hospitals</b>																					
Apollo Hospitals	APOHOS	4599	5,460	Buy	66221	59.1	60.5	80.2	126.8	30.2	31.6	25.8	18.8	15.1	14.1	16.6	21.8	15.1	13.8	16.0	21.1
Narayana Hrudalaya	NARHRU	833	990	Buy	17001	16.7	29.7	27.0	32.0	26.9	18.0	16.1	13.7	20.5	25.2	19.1	19.4	23.0	28.4	20.7	19.8
Shalby	SHALIM	139	170	Buy	1500	5.4	6.3	8.2	10.3	12.8	10.9	8.1	6.7	8.4	9.9	11.8	13.9	6.7	7.4	8.9	10.2
Aster DM	ASTDM	257	280	Buy	12845	10.5	8.6	18.1	23.6	10.1	9.3	6.2	4.7	9.0	8.7	13.6	15.4	13.3	9.8	17.1	18.2
Healthcare Global	HEAGLO	312	385	Buy	4343	3.9	2.3	6.1	8.5	19.8	15.2	11.9	10.2	5.0	8.8	12.8	14.8	5.0	3.6	8.5	10.7
Rainbow Children's Medicare	RAICHI	898	900	Hold	9164	13.6	20.8	19.2	20.2	30.3	26.4	24.6	20.9	20.2	17.8	14.5	16.5	22.9	19.9	15.5	14.0
<b>MNC Pharma</b>																					
Abbott India	ABBIND	21479	20,315	Hold	45107	380.3	452.1	501.7	564.3	56.5	47.5	42.8	38.1	36.6	38.7	34.1	31.0	28.3	29.8	26.1	23.6
P&G Health	MERLIM	5018	5,620	Buy	8531	113.2	152.2	144.4	165.2	44.3	33.0	34.8	30.4	39.8	43.7	34.5	33.6	31.2	33.2	26.5	25.7
Sanofi India	SANOFI	6329	6,270	Hold	14558	410.6	269.8	251.4	272.7	15.4	23.5	25.2	23.2	33.3	55.1	49.6	45.0	25.9	41.2	36.9	33.3
Pfizer	PFIZER	3840	3,830	Hold	17665	133.2	135.6	135.7	147.2	28.8	28.3	28.3	26.1	26.1	24.8	22.7	21.6	21.4	18.4	17.1	16.3
<b>Pharma</b>																					
Ajanta Pharma	AJAPHA	1306	1,520	Buy	16721	55.7	46.5	59.9	69.2	23.5	28.1	21.8	18.9	27.0	21.3	23.5	23.3	21.8	17.4	19.2	18.9
Alembic Pharma	ALEMPHA	558	530	Hold	10990	27.7	17.4	14.1	22.1	20.1	32.1	39.6	25.3	10.6	8.6	8.0	11.6	10.4	7.8	6.2	9.1
Aurobindo Pharma	AURPHA	611	525	Hold	35775	47.4	34.8	46.2	52.4	12.9	17.5	13.2	11.7	12.9	10.2	12.6	13.1	11.3	7.7	9.3	9.6
Biocon	BIOCON	243	230	Hold	29124	6.3	4.9	3.1	3.1	38.2	49.1	77.0	77.0	7.5	3.3	5.1	6.2	8.1	2.7	6.2	8.3
Zydus Lifesciences	CADHEA	511	600	Buy	52326	21.0	21.6	25.3	33.3	24.3	23.7	20.2	15.4	12.0	14.2	14.8	14.9	12.6	12.6	13.1	14.8
Cipla	CIPLA	930	1,090	Buy	75059	32.9	36.4	42.7	48.2	28.3	25.6	21.8	19.3	16.7	17.4	17.8	18.2	12.7	12.5	13.2	13.4
Dr Reddy's Lab	DRREDD	4462	5,520	Buy	74068	127.2	269.3	230.2	256.5	35.1	16.6	19.4	17.4	12.5	23.9	18.8	21.1	11.0	19.2	14.4	14.2
Glenmark	GLEPHA	611	580	Hold	17233	42.7	37.8	34.6	41.3	14.3	16.2	17.7	14.8	14.8	13.4	13.5	14.9	13.2	11.2	9.4	10.1
Ipca Lab	IPCLAB	686	885	Hold	17417	34.8	20.8	31.4	37.0	19.7	32.9	21.8	18.5	17.4	12.1	15.7	16.5	16.1	8.9	12.1	12.7
Lupin	LUPIN	773	725	Hold	35153	11.9	8.3	25.6	33.0	65.1	92.9	30.1	23.4	3.4	5.7	11.0	13.0	4.4	3.0	8.6	10.2
Natco	NATPHA	620	565	Hold	11354	9.3	36.3	40.3	30.2	66.8	17.1	15.4	20.5	4.6	15.9	16.5	11.6	4.0	13.9	13.6	9.4
Sun Pharma	SUNPHA	940	1,210	Buy	225470	32.0	34.9	38.6	43.2	29.4	26.9	24.4	21.7	18.2	17.2	18.1	18.1	16.0	15.2	14.7	14.7
Torrent Pharma	TORPHA	1687	1,720	Hold	57012	32.0	36.3	45.1	53.8	52.6	46.4	37.4	31.3	19.7	17.1	20.4	23.3	18.2	17.9	19.0	19.4
Indoco Remedies	INDREM	360	440	Buy	3312	16.8	17.9	26.7	31.5	21.4	20.1	13.5	11.4	17.5	15.6	21.9	24.7	17.1	15.9	19.8	19.4
Caplin Point	CAPPOI	715	865	Buy	5437	39.5	48.8	47.9	47.9	18.1	14.7	14.9	14.9	25.3	23.5	22.4	22.4	20.2	20.2	16.7	16.7
Advanced Enzyme	ADVENZ	276	310	Hold	3086	11.5	13.1	10.7	10.7	23.9	21.1	25.8	25.8	14.3	10.9	13.4	14.2	11.0	8.7	10.7	11.3
Hester Bios	HESPHA	1730	1,490	Reduce	1557	45.7	31.1	40.5	53.3	37.8	55.7	42.7	32.5	10.9	7.5	8.8	10.3	15.0	9.4	11.2	13.1
<b>API/CRAMS</b>																					
Divis Lab	DIVLAB	3409	3,575	Buy	90337	111.5	68.7	78.3	89.4	30.6	49.6	43.5	38.1	30.2	17.8	18.9	19.4	25.2	14.3	14.8	15.2
Hikal	HIKCHE	295	375	Hold	3626	13.0	5.7	14.6	20.7	22.6	51.8	20.2	14.2	13.6	7.2	14.3	17.7	15.0	6.3	14.1	17.0
Syngene International	SYNINT	699	740	Buy	28028	9.9	11.6	13.3	17.9	70.8	60.4	52.5	39.1	11.7	13.8	14.2	16.9	12.9	12.8	13.0	14.9
Granules India	GRANUL	276	1,090	Buy	3400	16.6	20.8	21.8	27.8	16.6	13.3	12.7	10.0	15.6	18.5	17.8	19.4	16.0	18.2	16.2	17.3
Laurus Labs	LAULAB	314	300	Hold	16843	15.4	14.7	10.5	10.5	20.4	21.3	29.9	29.9	21.3	19.8	14.6	16.0	24.7	19.6	12.4	13.5
Suven Pharma	SUVPH	475	0	Buy	12102	17.8	14.7	17.7	20.0	26.7	32.2	26.9	23.7	37.5	26.0	25.6	24.5	29.7	20.6	20.5	19.5

Source: ICICI Direct Research

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