

Jupiter Life Line Hospitals Ltd

Bolstering presence in the western region through expansion.

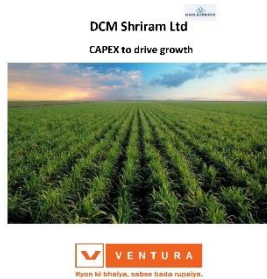


Kyon ki bhaiya, sabse bada rupaiya.

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Welspun India

BUY @ CMP INR 1,000
Target: INR 1,185 in 24 months
Upside Potential: 18.5%

Bolstering presence in the Western region through expansion

Jupiter Life Line Hospitals Ltd (JLHL) is a predominantly a Western Bharat focused healthcare services provider. It currently has three quaternary care hospital facilities whose total operational bed capacity in FY26 is expected to scale to 1,150 beds (Thane- 366 beds, Pune-353 beds, Indore- 431 beds). In April 2023, JLHL undertook the construction of a new 500 bed facility at Dombivali, MMR. This hospital, which is expected to be operational by FY26, is to be funded through internal accruals. Recently JLHL raised INR 542 cr, part of which would be used to retire its INR 501 cr debt in entirety while the remaining would be used for general corporate purposes.

We initiate coverage on JLHL with a BUY for a price target of INR 1,185 per share (40.4x P/E), representing an upside of 18.5% over the next 24 months. Over the period FY23-26E, we expect JLHL's revenue to grow at a CAGR of 13.5% to INR 1,304 cr by FY26 driven by:

- Indore facility revenues scaling to INR 286cr (39.67% CAGR) on the back of stable occupancies despite increase in operational bed capacity to 431 beds from current 231 beds.
- Pune facility revenues ramping up to INR 425 cr (11.8% CAGR) on the back of im-proving occupancies to 75% (+755 bps) and improvement in ARPOB to INR 59,461 from INR 48,996
- Thane facility experiencing mature growth of 6.9% to INR 592 cr. (77% occupancy, INR 66,284 ARPOB)
- We expect Dombivali facility to be commission in Q4FY26 and the full-fledged effect will accrue post FY27.

EBITDA and PAT are expected to grow at a CAGR of 13.8% and 38.3% to INR 296 cr/ INR 193cr, respectively, while EBITDA/PAT margins are estimated to improve by 10/660bps to 22.7%/14.8. PAT margins are expected to expand substantially as the company is going debt free post IPO and thus will save up on interest costs. Also company's tax rate is expected to decrease to 25.2% from the current 43% rate. Subsequently, RoE is expected to compress by 630bps to 13.7% and RoIC is expected to improve by 390 bps to 27.% by FY26.

Key Consolidated Financial Data (INR Cr, unless specified)

	Reve-nue	EBITDA	PAT	EBITDA (%)	PAT (%)	Adj EPS (₹)	BVPS (₹)	RoE (%)	RoIC (%)	P/E (X)	P/BV (X)	EV/EBITDA (X)
FY21	486.2	67.2	-2.3	13.8	-0.5	-0.5	44.0	-1.0	5.8	NA	26.8	104.0
FY22	733.1	153.4	51.1	20.9	7.0	10.1	51.5	17.4	17.4	99.5	22.9	45.5
FY23	892.5	201.3	73.0	22.6	8.2	14.0	65.0	20.0	23.3	71.7	18.1	34.4
FY24E	1,005.8	226.9	136.9	22.6	13.6	20.7	186.2	13.1	25.6	48.2	6.3	27.7
FY25E	1,173.3	266.1	182.7	22.7	15.6	27.7	218.5	14.9	27.7	36.1	5.4	23.2
FY26E	1,303.8	296.1	193.4	22.7	14.8	29.3	252.5	13.7	27.2	34.1	4.7	20.5

Industry	Healthcare
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Issue Details

Face Value (INR)	10.0
M Cap (INR Cr)	6,600
Price (INR)	1,000
No of Sh O/S (Cr)	6.6
3M Avg Vol (000)	NA
52W H/L (INR)	1,000/735
Dividend Yield (%)	0.00

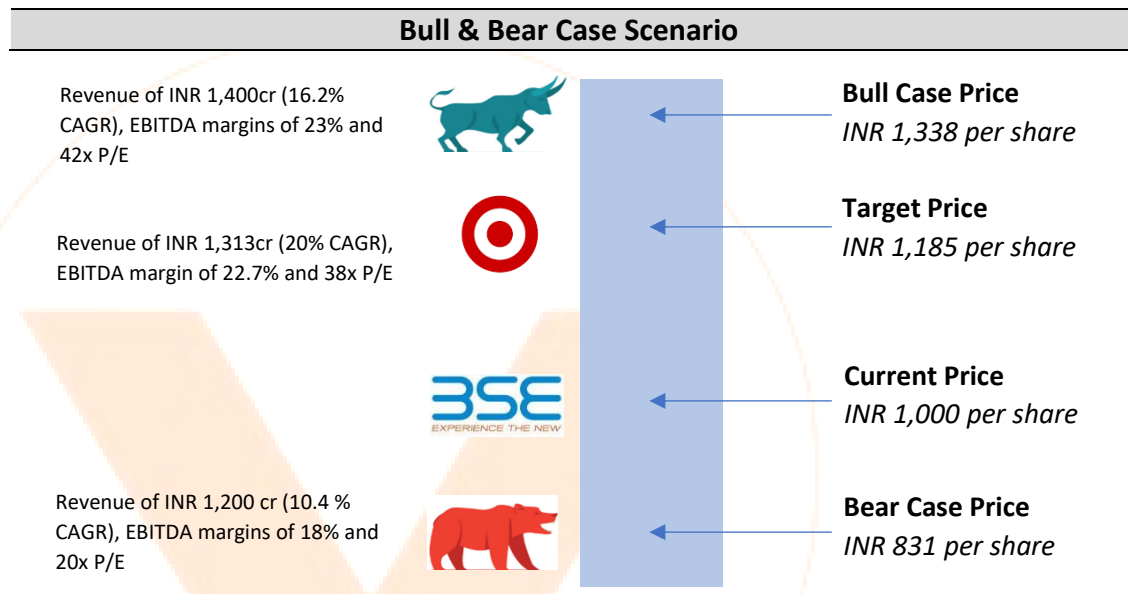
Shareholding (%)

Promoter	36.11
Promoter Group	4.80
Public	59.09
TOTAL	100

Our Bull and Bear Case Scenarios

We have prepared likely Bull and Bear case scenarios for FY26 price, based on revenue growth, net margins and P/E multiples.

- **Bull Case:** We have assumed revenue of INR 1,400 cr (FY23-26 CAGR growth of 16.2%) and an EBITDA margin of 23% at a P/E of 42x, which will result in a Bull Case consolidated price target of INR 1,338 (an upside of 33.8% from CMP).
- **Bear Case:** We have assumed revenue of INR 1,200 cr (FY23-26 CAGR growth of 10.4%) and an EBITDA margin of 18% at a P/E of 38x, which will result in a Bear Case consolidated price target of INR 831 (a downside of 16.9% from CMP).



Source: BSE & Ventura Research

Risk to our price target

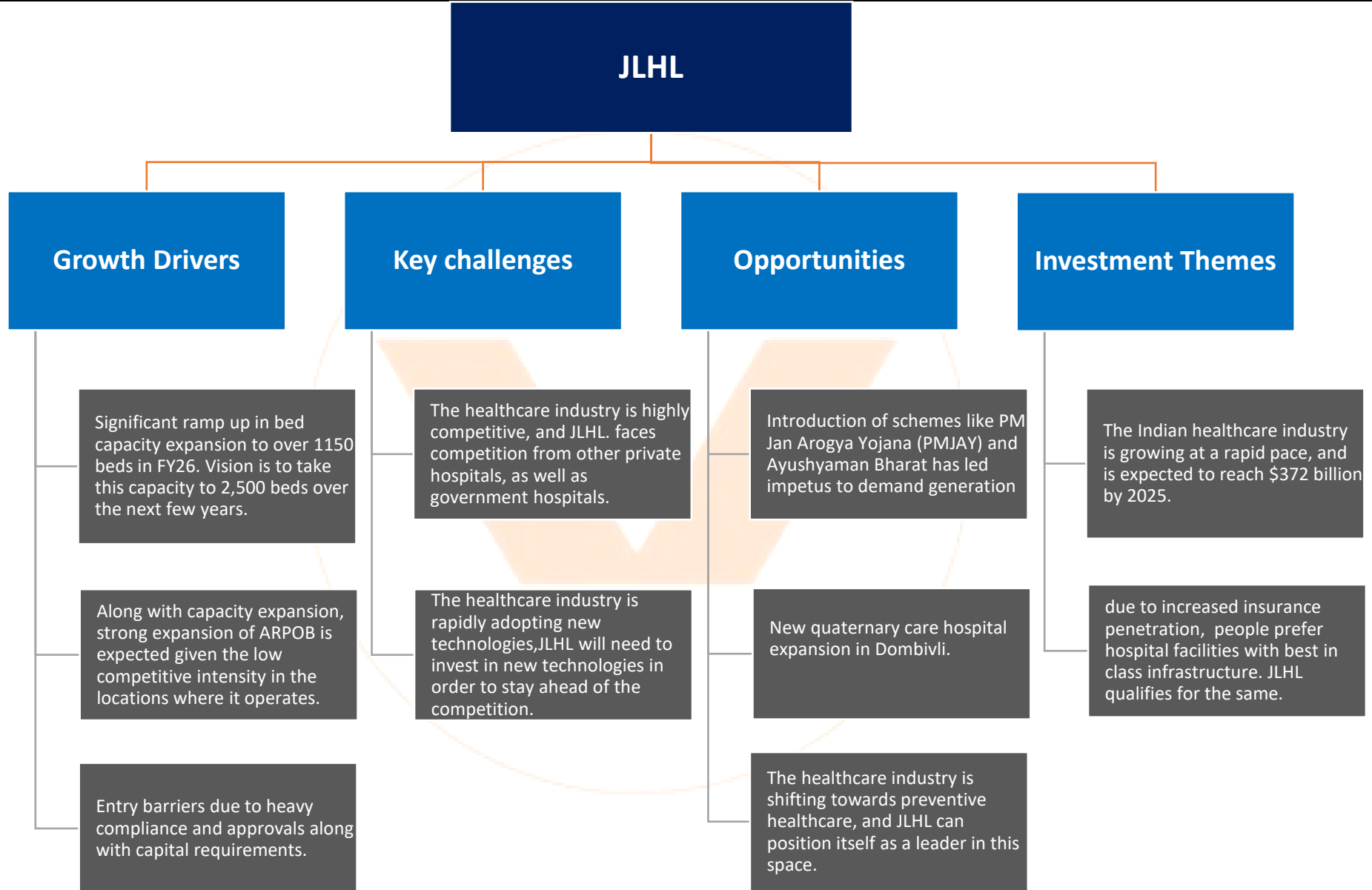
Risks to upside

- We have modelled conservative margins and therefore there is significant probability of overshooting of margins.

Risks to downside

- Any escalation of the ongoing pandemic can lead to a drop in OPD footfalls, elective surgeries and international admissions.
- We are expecting higher competitive intensity from established players in the Western region from other Multi-specialty hospitals, this could pressure revenue growth.

JLHL SWOT Analysis in a nutshell

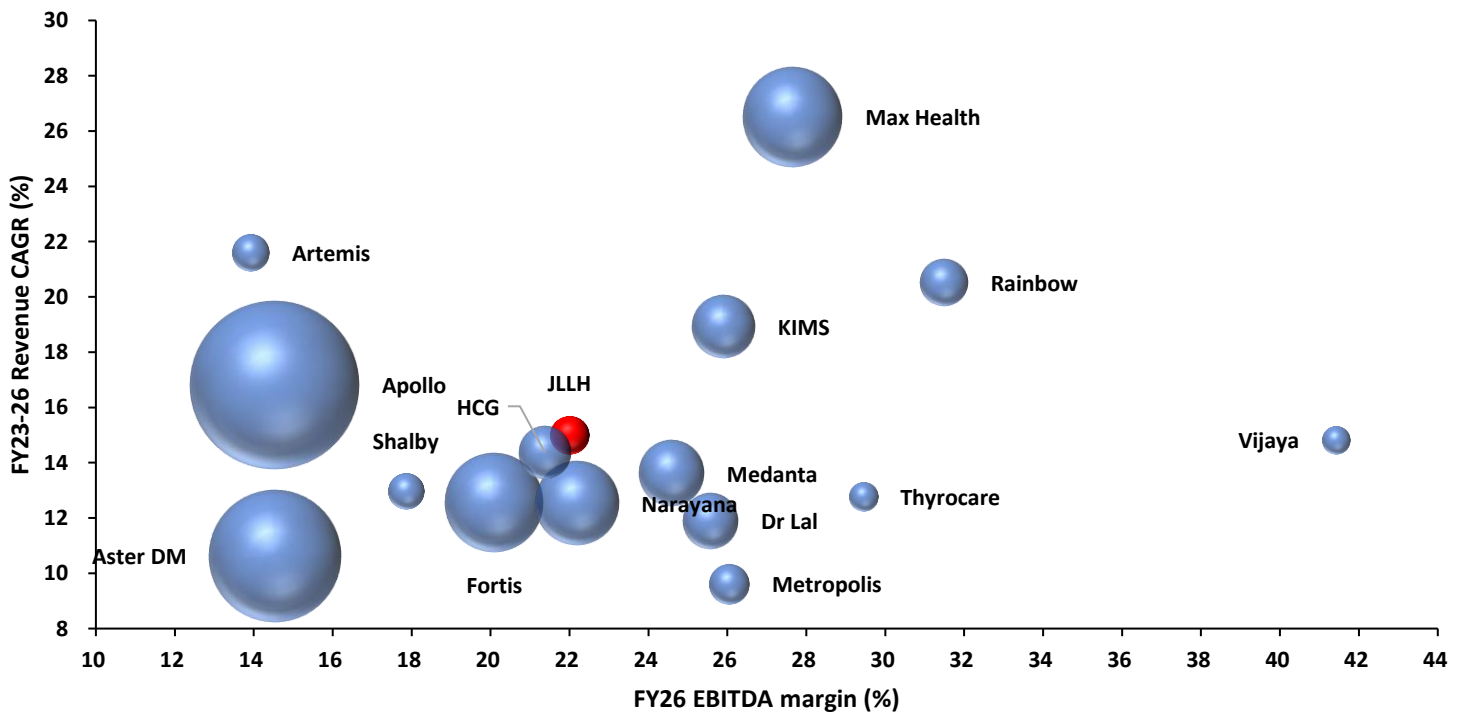
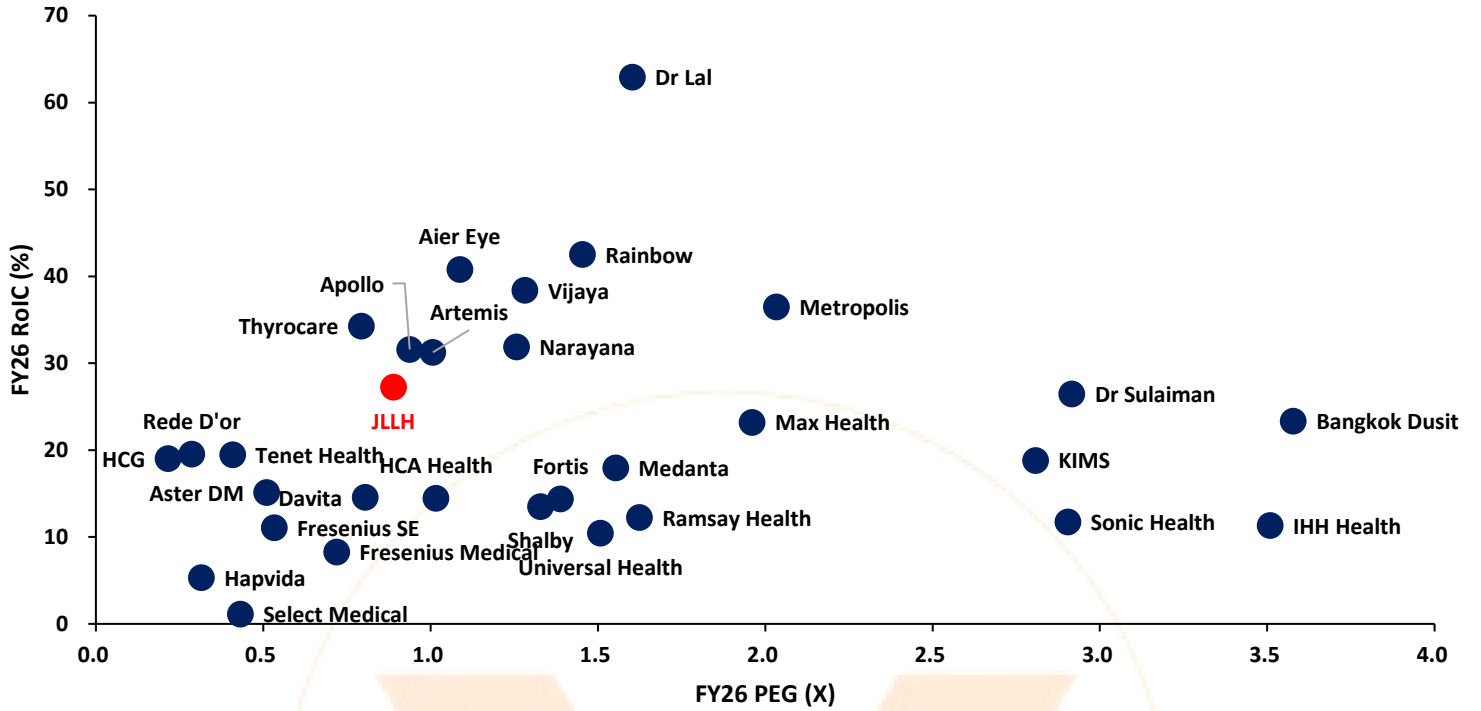


Valuation and comparable metrics of domestic and global companies

Company Name	Mkt Cap	Price (INR)	2026 PEG	P/E Ratio			EV/Sales			EV/EBIDTA			RoE (%)			RoIC (%)			Sales			EBITDA Margin (%)			Net Margin (%)		
				2024	2025	2026	2024	2025	2026	2024	2025	2026	2024	2025	2026	2024	2025	2026	2024	2025	2026	2024	2025	2026	2024	2025	2026
Domestic Peers (fig in INR cr, unless specified)																											
Jupiter Life Line Hospitals	6,600	1,000.0	0.9	48.2	36.1	34.1	6.2	5.3	4.7	27.7	23.2	20.5	13.1	14.9	13.7	25.6	27.7	27.2	1,006	1,173	1,304	22.6	22.7	22.7	13.6	15.6	14.8
Artemis Medicare	1,746	128.6	1.0	41.6	40.4	23.5	2.1	1.8	1.5	15.5	14.0	11.0	15.3	18.3	45.7	15.9	18.2	31.3	922	1,096	1,280	13.7	12.9	13.9	4.6	3.9	5.8
Global Health	18,897	704.2	1.6	45.2	37.6	32.7	5.7	4.9	4.8	24.1	20.2	19.5	14.9	15.3	14.9	25.3	26.9	18.0	3,208	3,695	3,952	23.7	24.4	24.6	13.0	13.6	14.6
Shalby	2,564	237.4	1.3	32.0	25.7	23.3	2.8	2.5	2.2	16.0	13.7	12.5	8.1	9.3	10.2	11.3	12.3	13.5	925	1,055	1,160	17.4	17.9	17.9	8.7	9.5	9.5
Apollo Hospitals	69,374	4,824.9	0.9	65.4	44.2	33.7	3.7	3.1	2.6	28.3	21.9	18.2	14.9	18.6	20.4	21.4	27.4	31.6	19,385	22,508	26,213	12.9	14.3	14.5	5.5	7.0	7.9
Max Healthcare	55,833	574.8	2.0	44.7	37.5	32.1	8.0	6.9	5.7	29.8	24.9	20.7	13.6	14.0	14.3	19.5	21.1	23.2	6,795	7,846	9,236	26.9	27.6	27.7	18.4	19.0	18.8
Fortis Healthcare	24,978	330.9	1.4	38.5	30.3	25.6	3.6	3.2	2.8	19.8	16.5	14.1	8.0	9.3	10.4	11.2	12.9	14.4	7,061	7,959	8,858	18.3	19.3	20.1	9.2	10.3	11.0
Dr Lal Pathlabs	18,116	2,170.6	1.6	56.6	45.1	39.3	7.7	6.6	5.9	30.7	26.2	22.9	17.2	18.7	19.3	36.3	46.0	62.9	2,245	2,574	2,825	25.2	25.3	25.6	14.2	15.6	16.3
Narayana Hrudayalaya	20,981	1,026.7	1.3	30.7	27.6	21.5	4.3	3.8	3.2	19.9	17.4	14.4	25.2	22.6	25.4	26.5	26.8	31.9	4,992	5,650	6,446	21.5	21.6	22.2	13.7	13.4	15.1
Aster DM Healthcare	16,556	331.5	0.5	30.4	20.6	16.7	1.4	1.3	1.2	10.3	8.8	8.2	10.9	14.0	14.8	12.4	14.1	15.1	13,612	14,958	16,039	13.8	14.4	14.6	4.0	5.4	6.2
Krishna Inst of Medical Sciences	15,989	1,998.0	2.8	43.2	36.1	33.8	6.5	5.4	4.5	23.5	19.7	17.2	17.3	17.2	14.1	21.8	21.9	18.8	2,533	3,055	3,696	27.8	27.7	25.9	14.6	14.5	12.8
Metropolis Healthcare	7,060	1,378.4	2.0	45.1	36.4	31.9	5.7	5.0	4.3	22.7	19.3	16.5	14.4	16.0	16.6	21.3	25.4	36.5	1,218	1,374	1,512	25.2	25.9	26.0	12.9	14.1	14.6
Rainbow Child Medicare	10,631	1,047.4	1.5	45.1	38.1	29.1	7.3	6.1	4.9	22.2	19.7	15.5	18.6	18.4	19.9	44.5	35.4	42.5	1,392	1,679	2,054	32.9	31.2	31.5	16.9	16.6	17.8
Healthcare Global Ent	5,180	372.3	0.2	61.8	41.9	21.8	3.1	2.7	2.3	16.7	13.8	10.7	8.9	11.6	17.4	11.1	14.4	19.0	1,904	2,145	2,530	18.4	19.6	21.4	4.4	5.8	9.4
Vijaya Diagnostics	5,066	496.1	1.3	46.0	37.7	31.2	9.3	8.0	6.8	23.2	19.5	16.4	17.2	17.8	17.7	27.3	30.7	38.4	528	606	695	40.2	41.0	41.4	20.8	22.1	23.4
Thyrocare Tech	2,844	537.4	0.8	31.1	24.8	21.5	4.6	4.1	3.6	16.8	14.1	12.2	16.7	20.2	20.0	30.8	35.2	34.3	581	664	742	27.6	28.8	29.4	15.7	17.3	17.8
Global Peers (fig in USD mn, unless specified)																											
HCA Healthcare Inc	76,377	280.8	1.0	12.3	11.2	10.2	1.8	1.7	1.6	9.1	8.6	8.2	32.2	26.2	22.4	16.5	15.5	14.5	63,966	67,525	71,443	19.7	19.8	20.0	9.7	10.1	10.5
Dr Sulaiman Al Habib Medical	22,935	65.5	2.9	46.6	40.5	36.6	9.1	7.6	6.6	37.9	32.4	28.9	28.3	29.7	29.6	24.6	24.8	26.5	2,551	3,080	3,562	24.1	23.5	22.8	19.3	18.4	17.6
Aier Eye Hospitals	24,378	2.6	1.1	51.3	39.4	30.8	8.3	6.6	5.3	29.2	23.1	18.4	17.2	19.2	20.0	33.3	38.2	40.8	2,865	3,573	4,391	28.2	28.4	28.7	16.6	17.3	18.0
Fresenius SE	17,983	31.9	0.5	11.4	9.5	8.1	1.0	0.9	0.8	6.3	5.4	4.7	7.0	8.1	9.0	7.9	9.5	11.1	45,322	47,328	49,471	15.4	16.5	17.6	3.5	4.0	4.5
Rede D'or Sao Luiz	13,353	5.8	0.3	35.9	21.3	15.6	1.8	1.6	1.4	11.7	9.4	7.7	8.0	12.3	14.0	13.6	17.1	19.5	8,506	9,517	10,814	15.6	17.2	18.0	4.4	6.6	7.9
Fresenius Medical Care	14,133	48.2	0.7	18.9	15.2	12.4	1.2	1.2	1.1	8.1	6.9	5.9	4.9	5.9	6.9	5.2	6.8	8.3	21,158	21,899	22,764	15.5	17.0	18.3	3.5	4.2	5.0
Bangkok Dusit Medical Services	12,302	0.8	3.6	32.1	29.5	27.4	4.4	4.1	3.7	18.3	17.0	15.2	14.5	15.0	14.9	17.8	19.1	23.3	2,783	2,976	3,167	24.3	24.2	24.5	13.8	14.0	14.2
IHH Healthcare Bhd	11,198	1.3	3.5	32.4	29.0	25.7	2.9	2.6	2.4	12.7	11.6	10.5	5.9	6.3	6.7	9.4	10.3	11.3	4,212	4,485	4,760	22.6	22.7	23.0	8.2	8.6	9.2
Sonic Healthcare	9,822	20.8	2.9	21.3	22.7	20.1	2.1	1.9	1.8	9.8	9.6	8.8	8.9	8.4	9.2	10.2	10.7	11.7	5,498	5,627	5,943	21.1	20.1	20.7	8.4	7.7	8.2
Universal Health Services	9,343	134.6	1.5	13.0	12.6	11.2	1.0	1.0	0.9	8.2	7.8	7.4	11.7	11.2	11.4	10.5	10.6	10.4	14,208	14,901	15,613	12.2	12.4	12.5	5.0	5.0	5.4
Davita	9,403	103.0	0.8	13.7	13.0	11.3	1.7	1.6	1.5	8.7	8.2	7.6	49.2	35.8	32.8	13.5	13.9	14.6	11,900	12,259	12,736	19.3	19.5	20.0	5.8	5.9	6.5
Ramsay Healthcare	7,371	32.2	1.6	36.7	33.4	24.4	1.5	1.1	1.0	11.0	7.9	7.3	7.7	7.8	10.3	6.7	11.3	12.2	10,072	10,580	11,079	13.4	13.4	14.1	2.0	2.1	2.7
Tenet Healthcare	7,991	78.7	0.4	13.4	11.7	10.1	1.1	1.0	0.9	6.4	5.9	5.2	40.1	37.7	35.6	16.0	17.4	19.5	20,440	21,378	22,472	16.6	16.8	17.2	2.9	3.2	3.5
Hapvida Participacoes	6,750	0.9	0.3	45.0	32.2	17.7	1.4	1.2	1.1	14.1	9.5	7.7	1.5	2.1	3.7	1.0	3.5	5.3	5,722	6,284	6,855	10.0	12.9	14.1	2.6	3.3	5.6
Select Medical Holding	3,695	29.1	0.4	15.0	12.4	11.5	1.1	1.0	0.9	9.1	8.0	7.2	1.1	1.1	0.5	2.2	2.2	1.1	6,622	6,898	7,047	12.1	12.8	13.1	3.7	4.3	4.6

Source: Ventura Research & Bloomberg estimates

EV foray to spur revenue growth, available at benign valuation



Source: Ventura Research, ACE Equity & Bloomberg

Financial analysis and projections

FY21-23: Impressive financial growth and surge in margins

The company's revenue witnessed a noteworthy CAGR of 35.5%, surging from INR 486 crores in FY21 to INR 893 crores in FY23. This robust revenue growth can be attributed to several key factors:

- Substantial improvement in the Thane hospital's occupancy rate, which climbed from 52.3% to 72%. ARPOB increased to INR 56,448 thereby growing at CAGR of 5%
- A significant expansion in operational bed capacity at the Pune Hospital, increasing from 228 beds to 353 beds. Concurrently, the occupancy rate also showed a substantial uptick, rising from 47.6% to 67.5%. The ARPOB has reached INR 48,996, indicating a CAGR-driven growth rate of 9.9%
- The Indore Hospital also saw a notable increase in operational bed capacity, growing from 150 beds to 231 beds. Alongside this expansion, the occupancy rate improved from 25.6% to 40%. The ARPOB has reached INR 38,747, demonstrating a substantial growth rate with a CAGR of 41.6%

EBITDA increased by a CAGR of 73.2% to INR 201 and PAT turned around from a loss of INR 2 cr to a profit of INR 73 cr, EBITDA margins increased by 880bps to 22.6% due to 260bps decline in raw material costs to 17.6%. PAT margins increased by 120bps to 8.2% from 7% in FY22. Consequently, ROE and ROIC increased by 260bps/ 590bps to 20%/23.3% over the period FY22-23.

FY23-26E: Outperformance to continue

Over the period FY23-26E, we expect JLHL's revenue to grow at a CAGR of 13.5% to INR 1,304 cr by FY26 driven by:

- Indore facility revenues scaling to INR 286cr (39.67% CAGR) on the back of stable occupancies despite increase in operational bed capacity to 431 beds from current 231 beds.
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- We expect Dombivali facility to commission in FY27.

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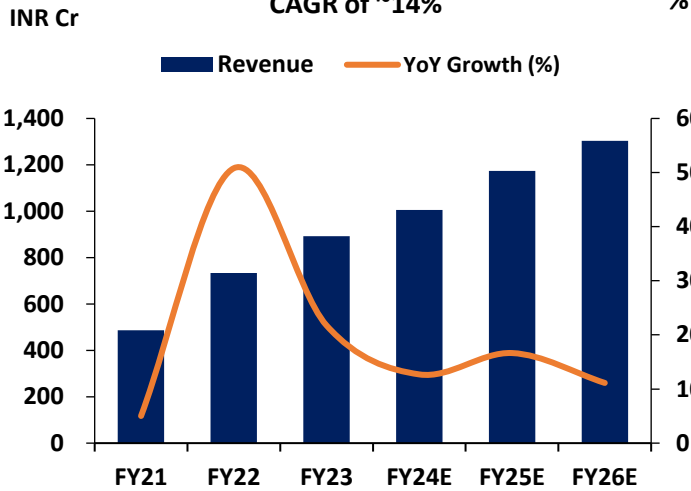
Sub-sequently, RoE is expected to compress by 630bps to 13.7% and RoIC is expected to improve by 390 bps to 27.% by FY26.

JLHL's Financial Summary (Consolidated)

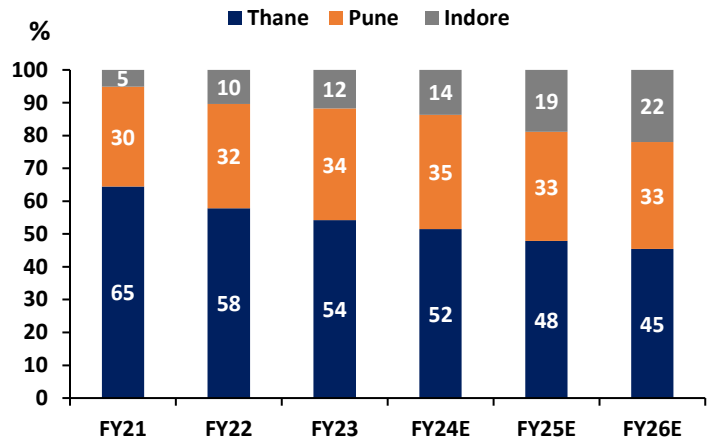
Fig in INR Cr (unless specified)	FY21	FY22	FY23	FY24E	FY25E	FY26E	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E	FY33E	FY34E	FY35E
Revenue from operations	486.2	733.1	892.5	1,005.8	1,173.3	1,303.8	1,554.6	1,838.0	2,121.7	2,474.3	2,924.8	3,323.8	3,671.5	3,980.9	4,257.5
<i>YoY Growth (%)</i>	<i>5.0</i>	<i>50.8</i>	<i>21.7</i>	<i>12.7</i>	<i>16.6</i>	<i>11.1</i>	<i>19.2</i>	<i>18.2</i>	<i>15.4</i>	<i>16.6</i>	<i>18.2</i>	<i>13.6</i>	<i>10.5</i>	<i>8.4</i>	<i>6.9</i>
Raw Material Cost	98.4	142.2	157.2	177.1	205.5	228.3	272.2	321.9	371.5	433.3	512.2	582.0	639.3	689.1	732.8
<i>RM Cost to Sales (%)</i>	<i>20.2</i>	<i>19.4</i>	<i>17.6</i>	<i>17.6</i>	<i>17.5</i>	<i>17.5</i>	<i>17.5</i>	<i>17.5</i>	<i>17.5</i>	<i>17.5</i>	<i>17.5</i>	<i>17.5</i>	<i>17.4</i>	<i>17.3</i>	<i>17.2</i>
Employee Cost	104.5	129.0	155.6	175.4	204.6	227.3	270.6	319.4	368.1	428.5	505.6	573.6	632.5	684.6	730.9
<i>Employee Cost to Sales (%)</i>	<i>21.5</i>	<i>17.6</i>	<i>17.4</i>	<i>17.4</i>	<i>17.4</i>	<i>17.4</i>	<i>17.4</i>	<i>17.4</i>	<i>17.3</i>	<i>17.3</i>	<i>17.3</i>	<i>17.3</i>	<i>17.2</i>	<i>17.2</i>	<i>17.2</i>
Other Expenses	216.0	308.5	378.4	426.5	497.1	552.0	657.7	777.1	897.0	1,046.1	1,236.5	1,405.2	1,552.2	1,683.0	1,800.0
<i>Other Expenses to Sales (%)</i>	<i>44.4</i>	<i>42.1</i>	<i>42.4</i>	<i>42.4</i>	<i>42.4</i>	<i>42.3</i>	<i>42.3</i>	<i>42.3</i>	<i>42.3</i>	<i>42.3</i>	<i>42.3</i>	<i>42.3</i>	<i>42.3</i>	<i>42.3</i>	<i>42.3</i>
EBITDA	67.2	153.4	201.3	226.9	266.1	296.1	354.0	419.7	485.1	566.5	670.5	762.9	847.5	924.1	993.9
<i>EBITDA Margin (%)</i>	<i>13.8</i>	<i>20.9</i>	<i>22.6</i>	<i>22.6</i>	<i>22.7</i>	<i>22.7</i>	<i>22.8</i>	<i>22.8</i>	<i>22.9</i>	<i>22.9</i>	<i>22.9</i>	<i>23.0</i>	<i>23.1</i>	<i>23.2</i>	<i>23.3</i>
Net Profit	(2.3)	51.1	73.0	136.9	182.7	193.4	245.3	290.0	333.5	393.1	477.8	561.5	644.1	723.1	799.3
<i>Net Margin (%)</i>	<i>(0.5)</i>	<i>7.0</i>	<i>8.2</i>	<i>13.6</i>	<i>15.6</i>	<i>14.8</i>	<i>15.8</i>	<i>15.8</i>	<i>15.7</i>	<i>15.9</i>	<i>16.3</i>	<i>16.9</i>	<i>17.5</i>	<i>18.2</i>	<i>18.8</i>
Adjusted EPS	(0.3)	7.7	11.1	20.7	27.7	29.3	37.2	43.9	50.5	59.6	72.4	85.1	97.6	109.6	121.1
<i>P/E (X)</i>	<i>(2,873.3)</i>	<i>129.1</i>	<i>90.4</i>	<i>48.2</i>	<i>36.1</i>	<i>34.1</i>	<i>26.9</i>	<i>22.8</i>	<i>19.8</i>	<i>16.8</i>	<i>13.8</i>	<i>11.8</i>	<i>10.2</i>	<i>9.1</i>	<i>8.3</i>
Adjusted BVPS	36.3	44.5	55.5	158.5	186.0	214.9	251.3	294.3	343.3	400.9	470.5	551.9	644.7	748.4	862.4
<i>P/BV (X)</i>	<i>27.6</i>	<i>22.4</i>	<i>18.0</i>	<i>6.3</i>	<i>5.4</i>	<i>4.7</i>	<i>4.0</i>	<i>3.4</i>	<i>2.9</i>	<i>2.5</i>	<i>2.1</i>	<i>1.8</i>	<i>1.6</i>	<i>1.3</i>	<i>1.2</i>
Enterprise Value	6,986.7	6,981.5	6,932.8	6,277.2	6,165.2	6,076.8	5,974.8	5,892.8	5,769.4	5,493.1	5,050.9	4,478.5	3,835.1	3,123.6	2,346.6
<i>EV/EBITDA (X)</i>	<i>104.0</i>	<i>45.5</i>	<i>34.4</i>	<i>27.7</i>	<i>23.2</i>	<i>20.5</i>	<i>16.9</i>	<i>14.0</i>	<i>11.9</i>	<i>9.7</i>	<i>7.5</i>	<i>5.9</i>	<i>4.5</i>	<i>3.4</i>	<i>2.4</i>
Net Worth	239.0	293.6	365.7	1,044.6	1,225.4	1,415.9	1,656.3	1,939.1	2,262.6	2,642.0	3,100.6	3,636.9	4,248.7	4,932.0	5,683.4
<i>Return on Equity (%)</i>	<i>(1.0)</i>	<i>17.4</i>	<i>20.0</i>	<i>13.1</i>	<i>14.9</i>	<i>13.7</i>	<i>14.8</i>	<i>15.0</i>	<i>14.7</i>	<i>14.9</i>	<i>15.4</i>	<i>15.4</i>	<i>15.2</i>	<i>14.7</i>	<i>14.1</i>
Capital Employed	652.4	781.1	834.3	1,044.6	1,235.4	1,425.9	1,666.3	1,949.1	2,272.6	2,652.0	3,110.6	3,646.9	4,258.7	4,942.0	5,693.4
<i>Return on Capital Employed (%)</i>	<i>(8.2)</i>	<i>9.9</i>	<i>11.1</i>	<i>13.2</i>	<i>13.3</i>	<i>12.8</i>	<i>13.2</i>	<i>13.3</i>	<i>13.2</i>	<i>13.4</i>	<i>13.8</i>	<i>13.6</i>	<i>13.1</i>	<i>12.4</i>	<i>11.6</i>
Invested Capital	625.7	675.0	698.4	721.8	790.6	892.7	1,031.2	1,231.9	1,432.0	1,535.1	1,551.5	1,515.4	1,483.8	1,455.7	1,430.0
<i>Return on Invested Capital (%)</i>	<i>5.8</i>	<i>17.4</i>	<i>23.3</i>	<i>25.6</i>	<i>27.7</i>	<i>27.2</i>	<i>28.4</i>	<i>28.2</i>	<i>28.0</i>	<i>30.9</i>	<i>37.0</i>	<i>43.8</i>	<i>50.3</i>	<i>56.3</i>	<i>61.9</i>
Cash Flow from Operations	123.4	137.0	176.4	191.8	231.6	248.5	309.8	365.8	420.6	488.8	579.1	665.0	749.9	831.6	910.9
Cash Flow from Investing	(295.8)	(85.2)	(94.2)	(60.8)	(117.6)	(156.7)	(202.5)	(276.2)	(286.9)	(198.6)	(117.8)	(67.2)	(74.0)	(80.2)	(85.6)
Cash Flow from Financing	184.9	32.2	(51.1)	55.8	7.8	(3.7)	(5.7)	(8.0)	(10.8)	(14.5)	(19.9)	(26.0)	(33.0)	(40.5)	(48.7)
Net Cash Flow	12.5	83.9	31.1	186.7	121.8	88.2	101.6	81.6	123.0	275.7	441.5	571.8	642.9	710.9	776.6
Free Cash Flow	(241.0)	16.9	40.8	101.2	114.3	92.1	107.7	90.1	134.2	290.9	462.1	598.5	676.4	752.0	825.8
<i>FCF to Revenue (%)</i>	<i>(49.6)</i>	<i>2.3</i>	<i>4.6</i>	<i>10.1</i>	<i>9.7</i>	<i>7.1</i>	<i>6.9</i>	<i>4.9</i>	<i>6.3</i>	<i>11.8</i>	<i>15.8</i>	<i>18.0</i>	<i>18.4</i>	<i>18.9</i>	<i>19.4</i>
<i>FCF to EBITDA (%)</i>	<i>(358.9)</i>	<i>11.0</i>	<i>20.3</i>	<i>44.6</i>	<i>42.9</i>	<i>31.1</i>	<i>30.4</i>	<i>21.5</i>	<i>27.7</i>	<i>51.3</i>	<i>68.9</i>	<i>78.4</i>	<i>79.8</i>	<i>81.4</i>	<i>83.1</i>
<i>FCF to Net Profit (%)</i>	<i>10,492.5</i>	<i>33.0</i>	<i>55.9</i>	<i>73.9</i>	<i>62.6</i>	<i>47.6</i>	<i>43.9</i>	<i>31.1</i>	<i>40.2</i>	<i>74.0</i>	<i>96.7</i>	<i>106.6</i>	<i>105.0</i>	<i>104.0</i>	<i>103.3</i>
<i>FCF to Net Worth (%)</i>	<i>(100.9)</i>	<i>5.8</i>	<i>11.1</i>	<i>9.7</i>	<i>9.3</i>	<i>6.5</i>	<i>6.5</i>	<i>4.6</i>	<i>5.9</i>	<i>11.0</i>	<i>14.9</i>	<i>16.5</i>	<i>15.9</i>	<i>15.2</i>	<i>14.5</i>
Total Debt	413.5	487.6	468.6	0.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Net Debt	387	381	333	(323)	(435)	(523)	(625)	(707)	(831)	(1,107)	(1,549)	(2,122)	(2,765)	(3,476)	(4,253)
<i>Net Debt to Equity (X)</i>	<i>1.6</i>	<i>1.3</i>	<i>0.9</i>	<i>(0.3)</i>	<i>(0.4)</i>	<i>(0.4)</i>	<i>(0.4)</i>	<i>(0.4)</i>	<i>(0.4)</i>	<i>(0.4)</i>	<i>(0.5)</i>	<i>(0.6)</i>	<i>(0.7)</i>	<i>(0.7)</i>	<i>(0.7)</i>
<i>Net Debt to EBITDA (X)</i>	<i>5.8</i>	<i>2.5</i>	<i>1.7</i>	<i>(1.4)</i>	<i>(1.6)</i>	<i>(1.8)</i>	<i>(1.8)</i>	<i>(1.7)</i>	<i>(1.7)</i>	<i>(2.0)</i>	<i>(2.3)</i>	<i>(2.8)</i>	<i>(3.3)</i>	<i>(3.8)</i>	<i>(4.3)</i>
<i>Interest Coverage Ratio (X)</i>	<i>0.9</i>	<i>2.7</i>	<i>3.9</i>	<i>10.5</i>	<i>584.9</i>	<i>324.1</i>	<i>390.6</i>	<i>463.4</i>	<i>535.4</i>	<i>633.4</i>	<i>765.8</i>	<i>885.6</i>	<i>994.4</i>	<i>1,092.3</i>	<i>1,180.8</i>
Altman Z Score (higher the better)	0.8	1.3	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.6	1.5	1.5	1.4	1.3
Piotroski F Score (higher the better)	3.0	8.0	8.0	6.0	7.0	5.0	7.0	6.0	5.0	7.0	7.0	6.0	6.0	6.0	6.0
Beneish M Score (lower the better)	(1.0)	(1.5)	(1.0)	(1.7)	(1.8)	(1.7)	(1.7)	(1.6)	(1.6)	(1.8)	(1.9)	(2.0)	(2.1)	(2.2)	(2.3)

Source: Company Reports & Ventura Research

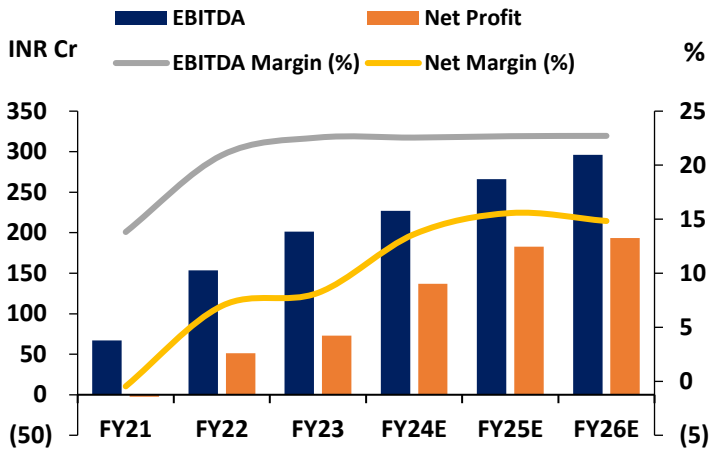
Revenues to grow substantially at a 3 year CAGR of ~14%



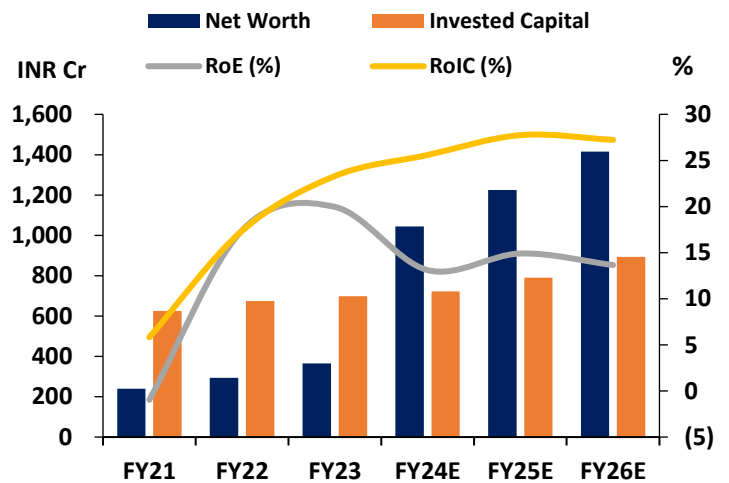
Increment in Bed capacity and Occupancy in Pune and Indore Hospitals to diversify revenue



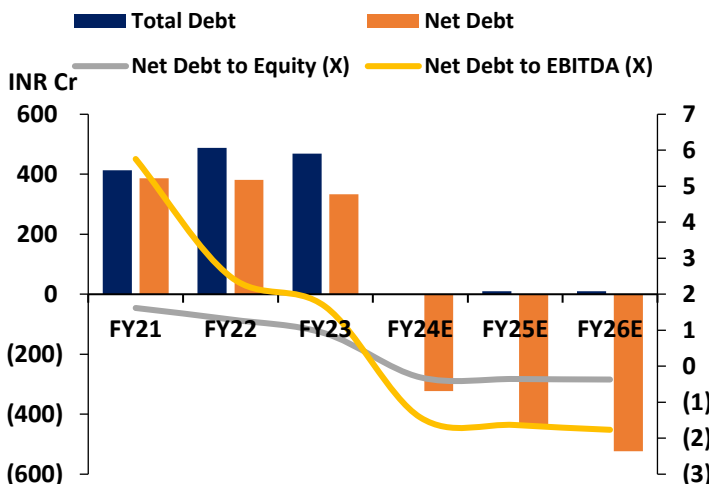
Profitability to improve as operating leverage kicks in



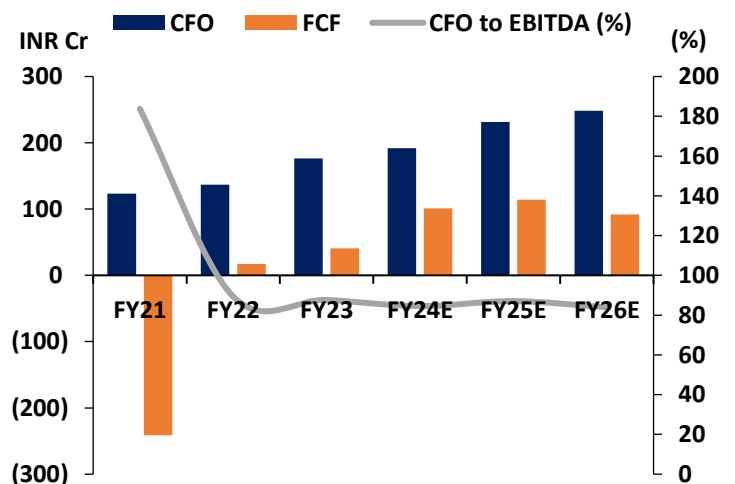
Return ratios to follow profitability



IPO proceeds to make the company debt free



FCF to increase as profitability improves



Source: Company Reports & Ventura Research

Company Overview

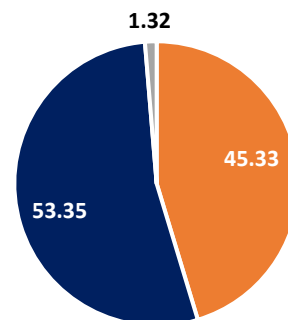
Jupiter Life Line Hospitals Ltd (JLHL) is among the key multi-specialty tertiary and quaternary healthcare providers in the Mumbai Metropolitan Area (MMR) and western region of India. They have been operating for over 15 years as a corporate quaternary care healthcare service provider in densely populated micro markets in the western regions of India and currently operate 3 hospitals under the “Jupiter” brand in Thane, Pune and Indore, with an operational bed capacity (i.e. census and non-census beds) of 950 beds and 1,306 doctors including specialists, physicians and surgeons, as of March 31, 2023. The current operational bed capacity is 961 beds. They are also currently in the process of developing a multi-specialty hospital in Dombivli, Maharashtra, which is designed to accommodate over 500 beds and has recently commenced construction in April 2023 and is expected to be operational in the next 2-3 years.

They have equipped their hospitals with over 30 specialties, as of March 31, 2023, including key specialties of organ transplant, oncology, orthopaedics, cardiology, paediatrics, neurology and neurosurgery as well as certain specialised quaternary services and precision-based treatments such as brachytherapy, radiotherapy, robotic knee replacement and robotic neuro rehabilitation.

Each of their hospitals at Thane, Pune and Indore has been certified by NABH and has been accredited in the field of medical testing by the NABL. JLHL commenced operations in 2007 with their hospital in Thane, Maharashtra and subsequently scaled their operations by setting up a hospital in Pune, Maharashtra in 2017 and acquiring a hospital in Indore, Madhya Pradesh in 2020. Their hospitals are also located in densely populated micro markets which have a low presence of chained hospitals, which provides them an opportunity to offer their services to a larger population and helps their patients with greater access to healthcare services.

Their hospitals function on an ‘all-hub-no-spoke’ model with each hospital being a full-service hospital, operating independently and serving the healthcare needs of patients, right from diagnostics to surgery and rehabilitation. All 3 of their hospitals are located on land owned by them on a freehold basis, which ensures operational control and allows them consistency in quality care resulting in long-term operational and financial efficiencies.

Payor Mix



■ Self payers ■ Insurance companies ■ Govt schemes

Source: Company RHP

Strategy and business overview

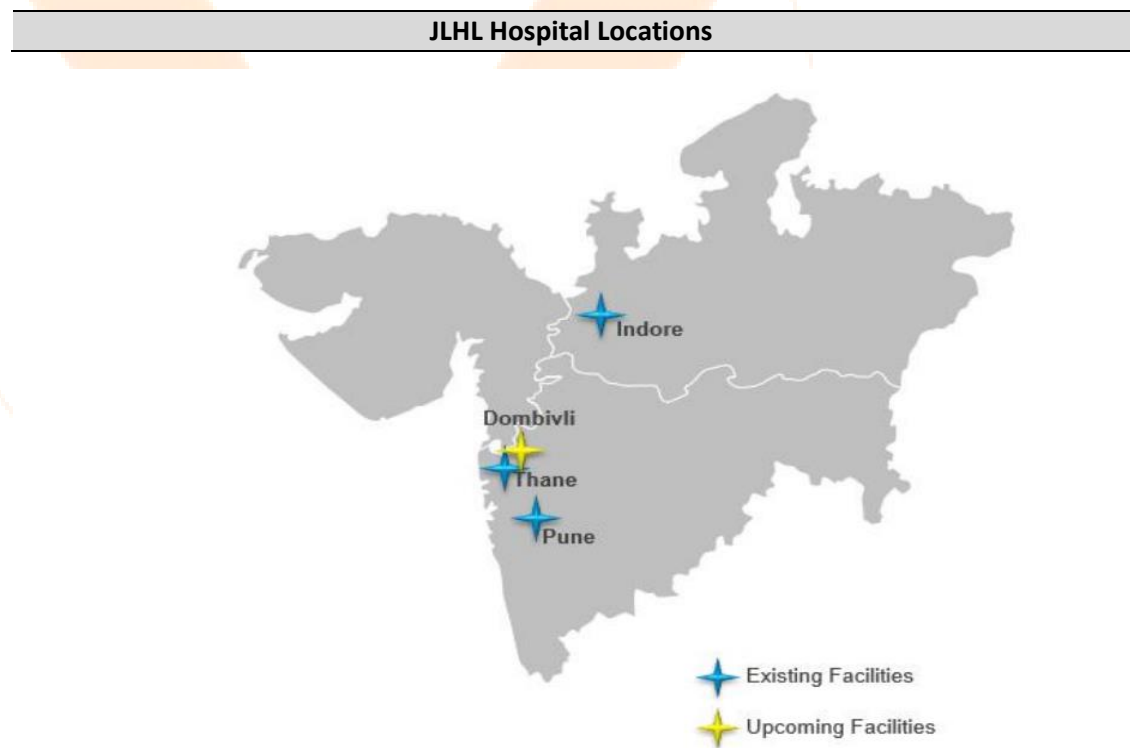
The management's strategy entails achieving breakeven for newly established facilities within a standard timeframe of three years, followed by three years of vigorous expansion accompanied by the benefits of operating leverage. Beyond this initial six-year period, revenue growth is expected to align with the inflation rate, as occupancy rates have already reached their peak.

In terms of revenue composition, JLHL typically derives 25% of its revenue from outpatient services (OPD) and the remaining 75% from in-patient services.

It's worth noting that the management strongly favors the ownership of facilities as opposed to adopting an asset-light model. This preference underscores their commitment to long-term stability and control within the healthcare sector

Hospitals

The company operates 3 hospitals located in Thane, Pune and Indore with an operational bed capacity (*i.e.* census and non-census beds) of 950 beds and 961 beds as of March 31, 2023 and as of August 2023, respectively.



Source: Company reports

Thane

Hospital in Thane, Maharashtra commenced operations in 2007 and has, over the years, grown to an operational bed capacity of 366 beds and a planned capacity of 377 beds, as of March 31, 2023.

Overview of Thane Hospital						
Particulars	FY21	FY22	FY23	FY24E	FY25E	FY26E
Operational Capacity	366	366	366	366	366	366
Census Beds	318	318	318	318	318	318
Occupancy	52%	67%	72%	75%	77%	77%
ARPOB	51,209	53,980	56,448	59,553	62,828	66,284
Revenue	313	424	484	518	562	592

Source: Company reports, Ventura Research

MMR has 33.0 beds per 10,000 people, which is higher than the state average of Maharashtra (20 beds per 10,000 people). It has an estimated population of 20.96 million, a population density of 22,937 people per sq. km and approximately 1,300 hospitals with approximately 69,000 hospital beds as of March 2023.

Key Hospitals in MMR market	
Key hospitals	Estimated number of beds
Apollo Hospitals	500
PD Hinduja National Hospital and Research Center	400
Jupiter Hospital	377
Jaslok Hospital	364
Wockhardt Hospital	350
Fortis Hospital	350
Bhaktivedanta Hospital & Research Center	~300
Asian Heart Institute	250
Bethany Hospital	190

Source: Company reports, Ventura Research

Pune

Hospital in Pune, Maharashtra commenced operations in 2017, which has, over the years, grown to an operational bed capacity of 353 beds and a planned capacity of 386 beds, as of March 31, 2023.

Overview of Pune Hospital						
Particulars	FY21	FY22	FY23	FY24E	FY25E	FY26E
Operational Capacity	228	303	353	353	353	353
Census Beds	209	248	298	298	298	298
Occupancy	47.63%	56.58%	67.45%	70%	73%	75%
ARPOB	40,592	45,623	48,996	51,691	54,534	57,533
Revenue	148	234	304	345	380	411

Source: Company reports, Ventura Research

The number of beds per ten thousand people in Pune Metropolitan Region is 30.0. The city has an estimated population of 14.97 million, a population density of approximately 605 people per sq. km (Pune District) and approximately 600 hospitals with 21,500 hospital beds as of March 2023

Key Hospitals in Pune Micro market	
Key hospitals	Estimated number of beds
Deenanath Mangeshkar Hospital and Research Center	800
Ruby Hall Clinic, Sassoon Road	600
Aditya Birla Memorial Hospital	500
Jehangir Hospital	350
Jupiter Hospital	386
Noble Hospital	250
Sahyadri Hospital, Deccan	202

Source: Company reports, Ventura Research

Indore

The company expanded its operations to Indore in Madhya Pradesh by acquiring a hospital located at Ring Road, Indore. The acquisition of the Indore hospital was completed on November 15, 2020.

Vishesh Jupiter Hospital, under the company's ownership, has an operational bed capacity of 231 beds and a planned capacity of 431 beds as of March 31, 2023. Furthermore, the company boosted its ownership stake in Jupiter Hospital Projects Private Limited, which operates Vishesh Jupiter Hospital in Indore, to 96.56% as of the Red Herring Prospectus date.

Overview of Indore Hospital						
Indore Hospital	FY21	FY22	FY23	FY24E	FY25E	FY26E
Operational Capacity	150	200	231	331	400	431
Census Beds	139	191	186	288	348	375
Occupancy	26%	39%	40%	35%	42%	45%
ARPOB	19,337	36,684	38,747	42,622	47,310	52,987
Revenue	25	76	105	137	221	286

Source: Company reports, Ventura Research

Indore has approximately 220 number of total hospitals including primary & community health centres and 12,000 hospital beds. Indore is a part of Madhya Pradesh and has an estimated population of 3.2 million, with a population density of 3,800 people per sq. km in the metro area as of March 2023.

Key Hospitals in Indore micro market

Key hospitals	Estimated number of beds
Bombay Hospital	600
Choithram Hospital	350
Arihant Hospital and Research Center	300
Care Hospital	260
Shalby Hospital	243
Vishesh Jupiter Hospital	431
Medanta Super Specialty Hospital	175

Source: Company reports, Ventura Research

Dombivli (Upcoming)

The company is currently in the process of establishing a quaternary care hospital in Dombivli, Maharashtra, which will be spread over 600,000 sq. feet. The construction of the Dombivli Hospital began in a phased manner in April 2023, with a planned capacity of approximately 500 beds. The land designated for the Dombivli Hospital is owned by the company and is registered in their name. They have obtained the necessary approvals for using the land for the hospital.

Kalyan-Dombivli has approximately 10 beds per 10,000 people. It has an estimated population of 1.5 million, a population density of approximately 10,950 people per sq. km and approximately 50 hospitals & nursing homes with approximately 1,500 hospital beds as of March 2023.

Key Hospitals in Kalyan-Dombivli

Key hospitals	Estimated number of beds
AIMS Hospital	250
SRV Mamata Hospital	100
Baj RR Hospital	100

Source: Company reports

Key Investment highlights

Brisk revenues growth on cards

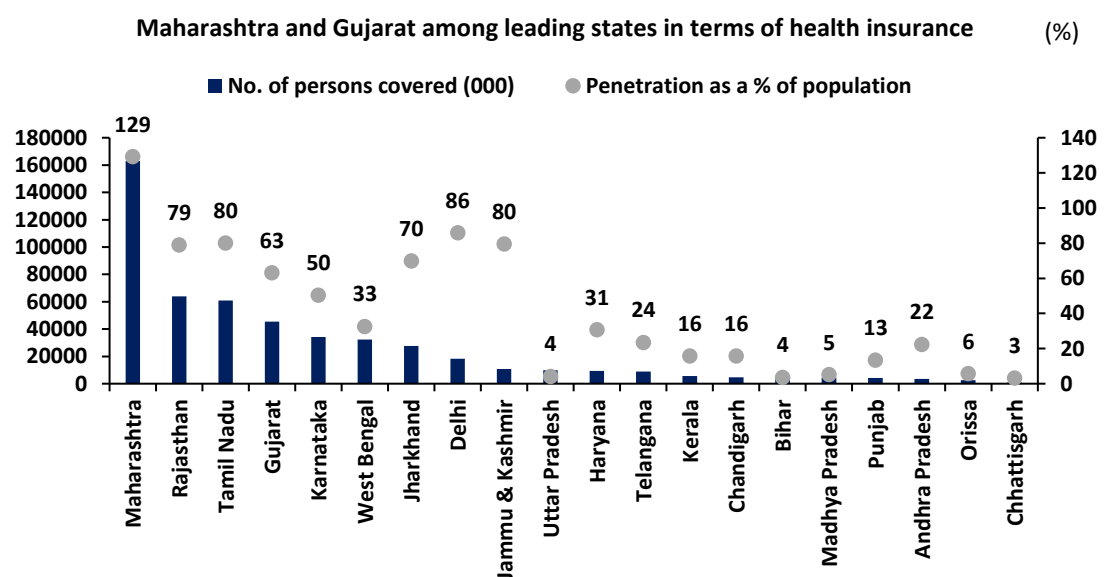
We expect JLHL’s revenues to grow at 13.5% 3 year CAGR to INR 1,313 cr by FY26 driven by:

1. Indore facility revenues scaling to INR 286cr (39.67% CAGR) on the back of stable occupancies despite increase in operational bed capacity to 431 beds from current 231 beds.
2. Pune facility revenues ramping up to INR 425 cr (11.8% CAGR) on the back of improving occupancies to 75% (+755 bps) and improvement in ARPOB to INR 59,461 from INR 48,996
3. Thane facility experiencing mature growth of 6.9% to INR 592 cr. (77% occupancy, INR 66,284 ARPOB)
4. We expect Dombivali facility to commission in FY27.
5. In addition to the Dombivli Hospital project, the company intends to establish additional hospitals in western India, with the goal of creating a network of several hospitals, collectively offering 2,500 beds in the coming years (Current capacity of 1,194 beds).

Insurance penetration

Low health-insurance penetration is one of the major impediments to the growth of the healthcare delivery industry in India, as affordability of quality healthcare facilities by the lower-income groups remain an issue. Health insurance coverage has increased from 17% in Fiscal 2012 to approximately 38% in Fiscal 2022. As per the Insurance Regulatory and Development Authority (IRDA), more than 520 million people have health insurance coverage in India (as of Fiscal 2022), as against 288 million (in Fiscal 2015), but despite this robust growth, the penetration in Fiscal 2022 stood at only 38%.

Insurance Penetration in top 20 states



Source: IRDAI & Ventura Research

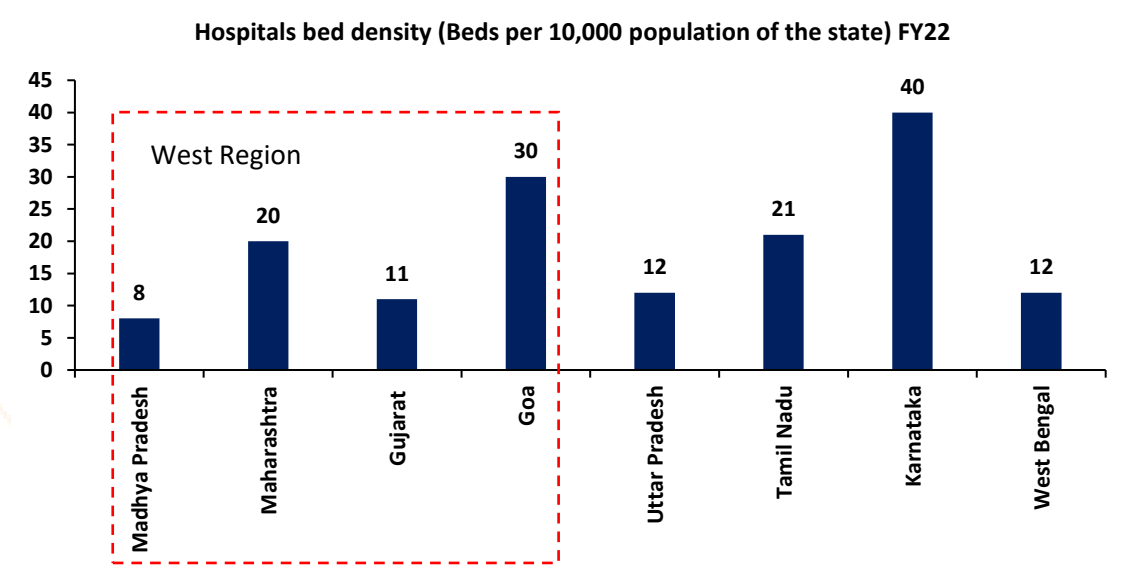
Maharashtra and Gujarat stand out in terms of health insurance penetration among the West India states. Penetration of health insurance coverage in the country stood at 38% in Fiscal 2022, while the average for West India states of Maharashtra, Goa, Gujarat and Madhya Pradesh was approximately 78% in Fiscal 2022.

Due to availability of insurance consumers prefer better healthcare providers compared to nursing homes

Though healthcare is considered a non-discretionary expense, considering that approximately 83% of households in India had an annual income of less than Rs.0.2 million in Fiscal 2012, affordability of quality healthcare facilities remains a major constraint. Growth in household incomes and, consequently, disposable incomes, are critical to the overall growth in demand for healthcare delivery services in India. The share of households falling in the income bracket above Rs.0.2 million is expected to go up to 35% in Fiscal 2022 from 23% in Fiscal 2017. They provide a potential target segment (with more paying capacity) for hospitals.

Dense population in the western region

West India states of Gujarat and Madhya Pradesh have a bed density which is lower than that of national average



Source: Company RHP and Ventura Research

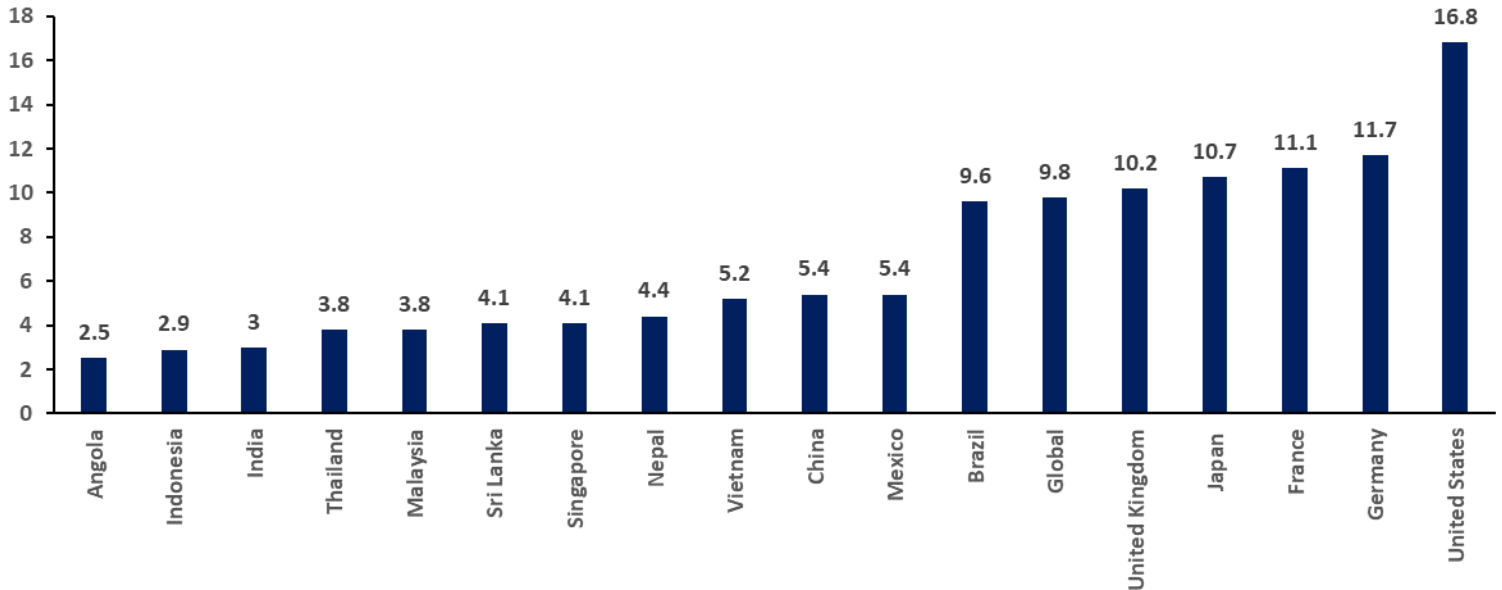
Among West India states under study, Gujarat and Madhya Pradesh had bed densities of 11 and 8 respectively, which is lower than the national average of 14 to 15.

Industry tailwinds to propel JLHL’s Growth

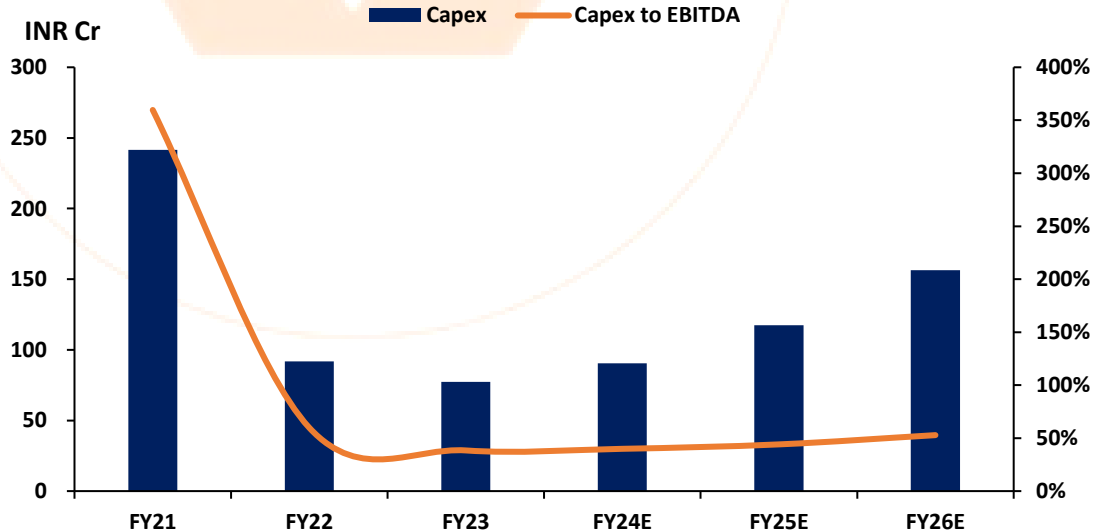
According to the Global Health Expenditure Database compiled by the World Health Organisation, India’s current expenditure on healthcare was 3.0% of GDP in 2019). India trails not just developed countries such as the United States and the United Kingdom, but also developing countries such as Brazil, Nepal, Vietnam, Singapore, Sri Lanka, Malaysia and Thailand in terms of healthcare spending as a percentage of GDP as of 2019.

India is one of the fastest growing healthcare markets in the world. The public expenditure on health has seen a steady rise in last few years but is still low when compared to other developed nations. Healthcare has also become one of India’s largest sector, both in terms of revenue and employment

Total Healthcare expenditure as Percentage of GDP



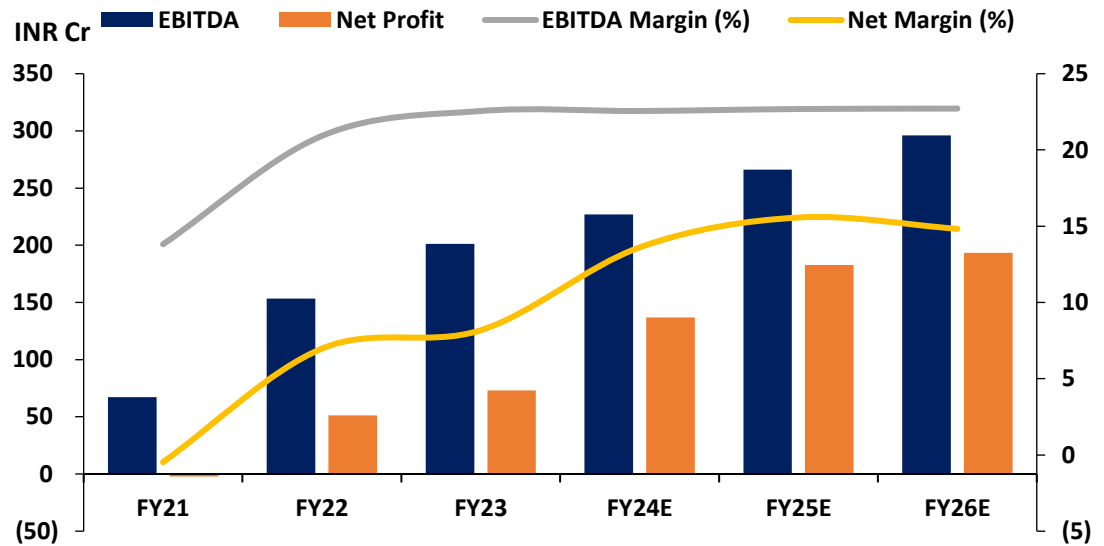
Capex to switch on the growth phase



Source: Company Reports

The Capex to EBITDA has stabilized around 50% and we expect this trend to continue as company continues to build its bed capacities.

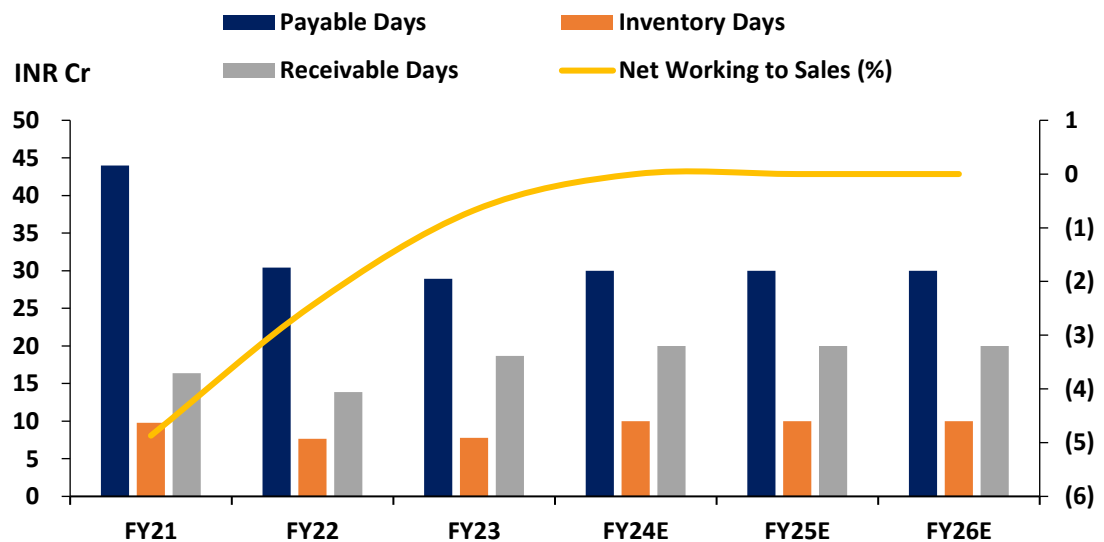
Profitability



Source: Ventura Research

Over the past few years, there has been a consistent increase in EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) from FY21 to FY23. This demonstrates improving operational efficiency and profitability. Projections for FY24E to FY26E also show a steady growth trajectory. One notable highlight is the significant turnaround in net profit from a loss of INR -2 crores in FY21 to INR 73 crores in FY23. This indicates that the company has effectively managed its costs and is generating healthy profits. Company has a solid growth strategy in place

Working Capital Cycle



Source: Ventura Research

JLHL has been improving its working capital management over the past years. The company is becoming more efficient in managing its payables, inventory, and receivables. This is resulting in a decrease in net working days and an improvement in net working to sales (%).

Ventura Business Quality Score

Key Criteria	Score	Risk	Comments
Management & Leadership			
Management Quality	8	Low	The management team at JLLHL consistently sets a high standard for effective management and, consistently deliver on their promises
Promoters Holding Pledge	8	Low	The promoter holding stands at 40.9% and there is no pledge against this holding as of 30th August 2023.
Board of Directors Profile	8	Low	On average, directors possess more than 23 years of experience, which equips them with substantial expertise in their specific fields.
Industry Consideration			
Industry Growth	7	Low	India's comparatively low public healthcare spending when compared to global counterparts indicates significant growth potential in this sector.
Regulatory Environment or Risk	6	Low	Risks such as evolving compliance requirements, potential government policy changes, licensing and accreditation challenges, pricing regulations, and legal and operational complexities.
Entry Barriers / Competition	7	Low	High initial capital requirements, intense competition from established players, the need for extensive infrastructure and medical equipment, regulatory and compliance hurdles showcase high entry barriers.
Business Prospects			
New Business / Client Potential	7	Low	The growth of healthcare sector in western India, the focus market for the company include government initiatives like PMJAY, rising per capita income, strong GDP performance, and under-served, densely populated micro-markets.
Business Diversification	6	Low	The revenue is spread across various income sources, encompassing insurance companies, third-party administrators, corporations, self-paying individuals, as well as Central and State Government schemes.
Market Share Potential	7	Low	JLHL is well positioned in the Western Region of India and is continuously expanding in this region to gain market share
Margin Expansion Potential	5	Medium	EBITDA margin expansion would be minimal as it will be opening up new facilities in the near term which would take some to break even and can cause draw down on margins
Earnings Growth	8	Low	We expect substantial earning growth
Valuation and Risk			
Balance Sheet Strength	7	Low	The company has a strong balance sheet with debt to EBITDA ratio of 2.5x
Debt Profile	7	Low	The company will be debt free post IPO.
FCF Generation	8	Low	We expect substantial FCF generation as Hospitals mature and operating leverage kicks in
Total Score	99		
Ventura Score (%)	71%	Low	The overall risk profile of the company is good and we consider it a LOW risk company for investments

Source: Company Reports & Ventura Research

Annual Report Takeaways

Board of Directors

Details of Board of Directors		
Particular	FY23	FY22
Dr. Ajay Thakker	CH & ED	CH & ED
Dr. Ankit Thakker	ED and Promoter	ED
Mr. Bhaskar Shah	NED	NED
Mr. Devang Gandhi	-	NED
Mr. Navinchandra Davda	-	NED
Mr. Nitin Thakker	-	NED
Mr. Rajesh Vora	NEID	NED
Mr Raghavan	NED	NED
Dr. Jasmin Patel	NEID	NEID
Dr. Darshan Vora	NEID	NEID
Mr. Satish Utekar	NEID	-
Ms. Urmi Papat	NEID	-

Source: Annual Reports

Auditor's qualifications and significant notes to accounts

The report given by Aswin P. Malde & Co, Statutory Auditors on financial statements of the Company for FY 2021-22 is part of the Annual Report. The comments on statement of accounts referred to in the report of the Auditors are self-explanatory. The Auditors' Report does not contain any qualification, reservation or adverse remark or comments. During the year under review, the Auditors had not reported any matter under Section 143(10) of the Act.

Related Party Transactions and Balances

JLHL Related Party		
Particular	FY23	FY22
Remuneration	4.6	3.4
Rent	0.2	0.2
Advances	80.7	23.8
Purchase of property, plant & equipment	3.7	0.1

Source: Annual Reports

MCL's Contingent Liability		
Particular	FY24	FY22
Claim against the company	3.2	1.4
Indirect tax matter	1.3	-
Total	4.5	1.4

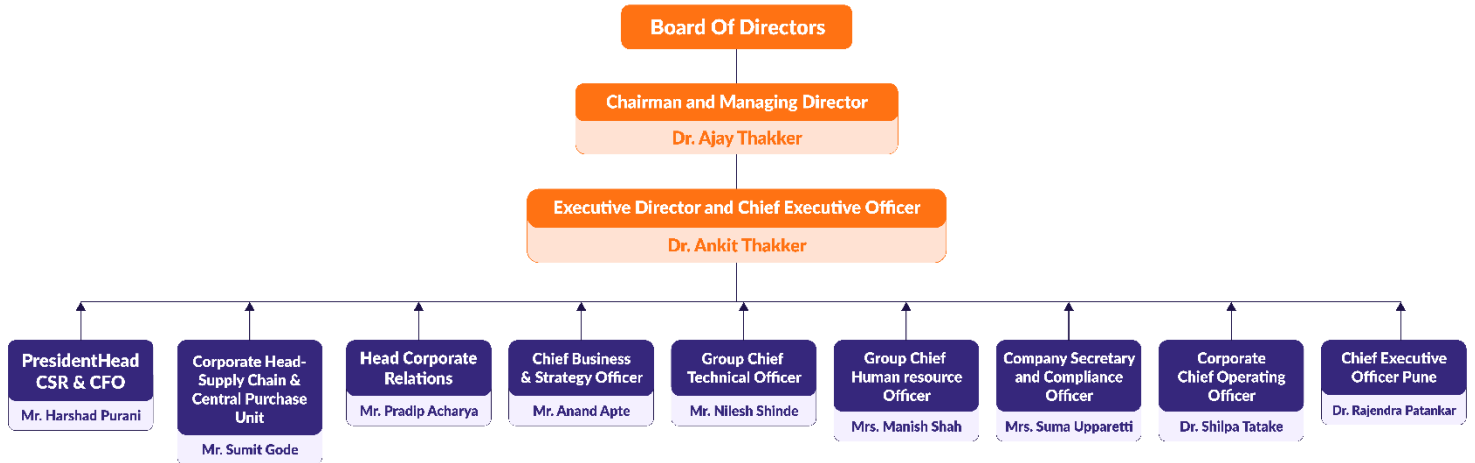
Source: Annual Reports

Key Management Personnel

Key Person	Designation	Detail
Dr. Ajay Thakker	Chairman and MD	Dr. Ajay Thakker serves as the Chairman and Managing Director of the Company. He possesses a bachelor of medicine and a bachelor of surgery degree from Grant Medical College, University of Bombay, along with a diploma in medical radio diagnosis from Topiwala National Medical College, University of Bombay. Over 31 years of experience in the field of medicine and healthcare, he has been involved with the Company since its inception. His role is overseeing overall management.
Dr. Ankit Thakker	Executive Director and CEO	Dr. Ankit Thakker serves as the Executive Director and Chief Executive Officer of the Company. He holds a bachelor of medicine and a bachelor of surgery degree from Mahatma Gandhi Mission's Medical College, Navi Mumbai, in addition to a master of science degree in management from the London School of Economics and Political Science. With over 14 years of experience in the healthcare sector, he has held a directorial role within the Company since 2016. He oversees the Company's overall management and has been recognized as a FE Visionary Leader by the Financial Express PowerList for his outstanding contributions to the healthcare industry.
Mr. Harshad Purani	CFO	Harshad Purani currently holds the position of Chief Financial Officer and serves as the President of Administration, as well as the Head of Corporate Social Responsibility at the Company. He's The CEO from on August 14, 2023, and has been a part of the Company since September 9, 2007. Mr. Purani earned his bachelor's degree in commerce from the K. P. B. Hinduja College of Commerce and Economics at the University of Bombay, and he also holds an international executive master's of business administration degree from the United Business Institutes in Brussels.
Mr. Vadapatra Raghavan	Non-Executive Director	Mr. Vadapatra Raghavan serves as a Non-Executive Director of the Company. He graduated with a bachelor's degree in science from the University of Madras. Mr. Raghavan is a member of the Institute of Chartered Accountants of India and has successfully completed a post-qualification course in Information Systems Audit conducted by the same institute. With an extensive career spanning over 33 years in the audit and accounts sector, he currently holds a position as a partner at Charles Prabhakar & Co.
Dr. Darshan Vora	Independent Director	Dr. Darshan Vora holds the position of Independent Director within the Company. He has earned a bachelor's degree in dental surgery from the University of Mumbai and is registered as a dentist by the Maharashtra State Dental Council. Dr. Vora has also completed a professional mouth rehabilitation training course certified by OSSTEM AIC and obtained a diploma in Advance Oral Implantology from College Extra-Universitaire & Implantologie Orale et Maxillofacilale in France.
Dr. Jasmin Patel	Independent Director	Dr. Jasmin Patel serves as an Independent Director on the Company's Board. She possesses a bachelor's degree in medicine and surgery, a doctor of medicine degree, and a diploma in gynaecology and obstetrics, all earned from the Government Medical College, University of South Gujarat. Dr. Patel is a dedicated life member of the Indian Medical Association.
Urmi Popat	Independent Director	Urmi Popat serves as an Independent Director on the Board of the Company. She holds a diploma in architecture awarded by the Board of Technical Examinations, Maharashtra State. Ms. Popat is an associate of the Indian Institute of Architects and is also a member of the Practising Engineers, Architects, and Town Planners Association.

Source: Company Reports & Ventura Research

Management organization structure



Source: Company Reports & Ventura Research

Key Risks & Concerns

- The healthcare industry is highly regulated and requires to obtain, renew and maintain statutory and regulatory permits, accreditations, licenses and comply with applicable safety, health, environmental, labour and other governmental regulations. Any regulatory changes or violations of such rules and regulations may adversely affect the business, financial condition and results of operations.
- Pricing regulations by government may affect company's profitability and revenues.
- Any failure to maintain and enhance company's brand and reputation, and any negative publicity and allegations in the media against it, may adversely affect the level of trust in its services and market recognition.
- The Company is highly dependent on their healthcare professionals including doctors and nurses, and any future inability to attract/ retain such professionals will adversely affect their business, financial condition and results of operations.

JLHL's financial analysis & projections

Fig in INR Cr (unless specified)	FY21	FY22	FY23	FY24E	FY25E	FY26E	Fig in INR Cr (unless specified)	FY21	FY22	FY23	FY24E	FY25E	FY26E	
Income Statement							Per share data & Yields							
Revenue	486.2	733.1	892.5	1,005.8	1,173.3	1,303.8	Adjusted EPS (INR)	(0.5)	10.1	14.0	20.7	27.7	29.3	
YoY Growth (%)	5.0	50.8	21.7	12.7	16.6	11.1	Adjusted Cash EPS (INR)	4.3	13.2	16.9	27.1	34.8	37.3	
Raw Material Cost	98.4	142.2	157.2	177.1	205.5	228.3	Adjusted BVPS (INR)	36.2	44.5	55.4	158.3	185.7	214.5	
RM Cost to Sales (%)	20.2	19.4	17.6	17.6	17.5	17.5	Adjusted CFO per share (INR)	18.7	20.8	26.7	29.1	35.1	37.7	
Employee Cost	104.5	129.0	155.6	175.4	204.6	227.3	CFO Yield (%)	1.9	2.1	2.7	2.9	3.5	3.8	
Employee Cost to Sales (%)	21.5	17.6	17.4	17.4	17.4	17.4	Adjusted FCF per share (INR)	(36.6)	2.6	6.2	15.3	17.3	14.0	
Other Expenses	216.0	308.5	378.4	426.5	497.1	552.0	FCF Yield (%)	(3.7)	0.3	0.6	1.5	1.7	1.4	
Other Exp to Sales (%)	44.4	42.1	42.4	42.4	42.4	42.3	Solvency Ratio (X)							
EBITDA	67.2	153.4	201.3	226.9	266.1	296.1	Total Debt to Equity	1.7	1.7	1.3	0.0	0.0	0.0	
Margin (%)	13.8	20.9	22.6	22.6	22.7	22.7	Net Debt to Equity	1.6	1.3	0.9	(0.3)	(0.4)	(0.4)	
YoY Growth (%)	(17.5)	128.4	31.2	12.7	17.3	11.3	Net Debt to EBITDA	5.8	2.5	1.7	(1.4)	(1.6)	(1.8)	
Depreciation & Amortization	30.7	36.2	38.5	42.1	46.8	53.0	Return Ratios (%)							
EBIT	36.4	117.2	162.8	184.7	219.3	243.1	Return on Equity	(1.0)	17.4	20.0	13.1	14.9	13.7	
Margin (%)	7.5	16.0	18.2	18.4	18.7	18.6	Return on Capital Employed	(8.2)	9.9	11.1	13.2	13.3	12.8	
YoY Growth (%)	(34.3)	221.8	38.9	13.5	18.7	10.8	Return on Invested Capital	5.8	17.4	23.3	25.6	27.7	27.2	
Other Income	4.1	4.0	10.4	15.8	25.1	16.1	Working Capital Ratios							
Finance Cost	39.0	43.9	42.2	17.6	0.4	0.8	Payable Days (Nos)	44	30	29	30	30	30	
Interest Coverage (X)	0.9	2.7	3.9	10.5	584.9	324.1	Inventory Days (Nos)	10	8	8	10	10	10	
Exceptional Item	0.0	(0.2)	(2.2)	0.0	0.0	0.0	Receivable Days (Nos)	16	14	19	20	20	20	
PBT	1.6	77.1	128.8	183.0	244.1	258.4	Net Working Capital Days (Nos)	(18)	(9)	(2)	0	0	0	
Margin (%)	0.3	10.5	14.4	18.2	20.8	19.8	Net Working Capital to Sales (%)	(4.9)	(2.4)	(0.7)	0.0	0.0	0.0	
YoY Growth (%)	(95.3)	4,860	67.0	42.1	33.4	5.9	Valuation (X)							
Tax Expense	3.9	26.0	55.8	46.1	61.4	65.0	P/E	(2,222)	99.5	71.7	48.2	36.1	34.1	
Tax Rate (%)	247.7	33.7	43.3	25.2	25.2	25.2	P/BV	27.6	22.5	18.0	6.3	5.4	4.7	
PAT	(2.3)	51.1	73.0	136.9	182.7	193.4	EV/EBITDA	104.0	45.5	34.4	27.7	23.2	20.5	
Margin (%)	(0.5)	7.0	8.2	13.6	15.6	14.8	EV/Sales	14.4	9.5	7.8	6.2	5.3	4.7	
YoY Growth (%)	(107.8)	(2,326)	42.8	87.6	33.4	5.9	Cash Flow Statement							
Min Int/Sh of Assoc	0.0	0.0	0.0	0.0	0.0	0.0	PBT	1.6	77.1	128.8	183.0	244.1	258.4	
Net Profit	(2.3)	51.1	73.0	136.9	182.7	193.4	Adjustments	102.0	91.6	115.3	60.9	48.9	55.2	
Margin (%)	(0.5)	7.0	8.2	13.6	15.6	14.8	Change in Working Capital	23.7	(5.8)	(11.9)	(6.0)	0.0	0.0	
YoY Growth (%)	(107.8)	(2,326)	42.8	87.6	33.4	5.9	Less: Tax Paid	(3.9)	(26.0)	(55.8)	(46.1)	(61.4)	(65.0)	
Balance Sheet								Cash Flow from Operations	123.4	137.0	176.4	191.8	231.6	248.5
Share Capital	50.9	50.9	56.5	63.9	63.9	63.9	Net Capital Expenditure	(241.6)	(91.1)	(76.9)	(90.5)	(117.3)	(156.5)	
Total Reserves	188.1	242.7	309.2	980.7	1,161.6	1,352.0	Change in Investments	(54.3)	5.8	(17.4)	29.7	(0.3)	(0.2)	
Shareholders Fund	239.0	293.6	365.7	1,044.6	1,225.4	1,415.9	Cash Flow from Investing	(295.8)	(85.2)	(94.2)	(60.8)	(117.6)	(156.7)	
Long Term Borrowings	421.2	464.5	452.5	0.0	10.0	10.0	Change in Borrowings	153.9	66.1	(8.8)	(468.6)	10.0	0.0	
Deferred Tax Assets / Liabilities	25.5	32.5	37.0	37.0	37.0	37.0	Less: Finance Cost	(39.0)	(43.9)	(42.2)	(17.6)	(0.4)	(0.8)	
Other Long Term Liabilities	0.0	0.0	0.0	0.0	0.0	0.0	Proceeds from Equity	70.0	10.0	0.0	542.0	0.0	0.0	
Long Term Trade Payables	0.0	0.0	0.0	0.0	0.0	0.0	Buyback of Shares	0.0	0.0	0.0	0.0	0.0	0.0	
Long Term Provisions	0.0	0.0	0.0	0.0	0.0	0.0	Dividend Paid	0.0	0.0	0.0	0.0	(1.8)	(2.9)	
Total Liabilities	685.6	790.6	855.2	1,081.6	1,272.4	1,462.9	Cash flow from Financing	184.9	32.2	(51.1)	55.8	7.8	(3.7)	
Net Block	630.0	683.9	719.0	767.4	837.9	941.3	Net Cash Flow	12.5	83.9	31.1	186.7	121.8	88.2	
Capital Work in Progress	25.9	26.6	29.1	0.0	0.0	0.0	Forex Effect	0.0	0.0	0.0	0.0	0.0	0.0	
Intangible assets under developmen	0.6	0.8	0.7	0.0	0.0	0.0	Opening Balance of Cash	7.0	19.4	103.4	134.5	321.2	443.0	
Non Current Investments	0.2	0.2	0.2	0.2	0.2	0.2	Closing Balance of Cash	19.4	103.4	134.5	321.2	443.0	531.2	
Long Term Loans & Advances	7.0	10.6	22.8	25.7	30.0	33.3								
Other Non Current Assets	13.1	7.0	4.4	4.9	5.8	6.4								
Net Current Assets	8.9	61.6	79.0	283.4	398.6	481.7								
Total Assets	685.6	790.6	855.2	1,081.6	1,272.4	1,462.9								

Source: Ventura Research

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Corporate Office: I-Think Techno Campus, 8th Floor, 'B' Wing, Off Pokhran Road No 2, Eastern Express Highway, Thane (W) – 400608