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IPO Report

10th Dec'25

Snapshot

Company offer comprehensive dialysis care through its network of clinics – from diagnosis to treatment and wellness programs including haemodialysis, home and mobile dialysis, supported by pharmacy. Company is India's largest dialysis service provider in terms of number of patients served, clinics, cities covered, treatments performed, revenue, and EBITDA (excluding other income) in Fiscal 2025, and it is 4.4 times the size of the next largest organized dialysis provider in India in terms of operating revenue in Fiscal 2024.

VALUATION

Company is bringing the issue at price band of Rs 438-460 per share at p/e multiple of more than 60x on post issue FY25 PAT basis.

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Hence, we recommend “Subscribe” to the issue.

Price Band (Rs./Share)	438-460
Opening date of the issue	10th Dec '2025
Closing Date of the issue	12th Dec '2025
No of shares pre issue	9,26,50,799 Eq Shares
Issue Size	Rs 871.05 Cr
Fresh issue	Rs 353.40 Cr
Offer For Sale	Rs 517.64 Cr
Face Value (Rs/ share)	Rs 2/share
Bid Lot	32
Employee Discount	Rs 41/share
BIDDING DETAILS	
QIBs (Including Anchor)	50% of the offer (Approx 94,26,143 eq Shares)
Non-Institutional	15% of the offer (Approx 28,27,843 eq Shares)
Retail	35% of the offer (Approx 65,98,301 eq Shares)
Lead managers	ICICI Securities Limited, IIIF Capital Services Limited, Ambit Private Limited, Nomura Financial Advisory and Securities (India) Private Limited
Registrar to the issue	KFin Technologies Limited

WHAT WE LIKE

India's and Asia's largest dialysis chain with leadership across company's markets

Company is India's largest dialysis service provider in terms of number of patients served, clinics, cities covered, treatments performed, revenue, and EBITDA (excluding other income) in Fiscal 2025, and it is 4.4 times the size of the next largest organized dialysis provider in India in terms of operating revenue in Fiscal 2024. Company is also the largest dialysis service provider in Asia in 2025 and the fifth largest globally based on the number of treatments performed in Fiscal 2025. In India, company is the leader in dialysis services in Fiscal 2025, with a market share of over 50% of the organized market (in terms of number of treatments) and approximately 50% share in terms of revenue generated by organized dialysis service providers.

Organic growth augmented by proven track record of acquisitions and integration in India and internationally

Company have scaled its operations in India from one clinic in 2010 to 519 clinics, across India, Nepal, the Philippines and Uzbekistan as of September 30, 2025, and have a well-diversified network with presence in 288 cities in India. Company's expansion strategy includes greenfield and brownfield operations, along with PPP collaborations, allowing company to scale efficiently and cater to diverse patient needs. As of September 30, 2025, company had 80, 259, and 180 clinics operating through greenfield, brownfield, and PPP collaborations, respectively.

Track record of sustainable growth, profitability and return

Company have demonstrated consistent financial performance, growing in each year since commencing its operations. Company's Profit / (loss) for the period/ year was ₹ 142.28 million, ₹ 670.96 million, ₹ 351.33 million and ₹ (117.89) million in the six months period ended September 30, 2025, Fiscals 2025, 2024 and 2023, respectively. Company's Return on Adjusted Capital Employed (%) was 11.99%, 18.67%, 10.00%, and 0.44% and PAT Margin (%) was 3.00%, 8.88%, 6.21% and (2.70)% for the six months period ended September 30, 2025, Fiscals 2025, 2024 and 2023.



COMPANY BACKGROUND

In Fiscal 2025, company served 29,281 patients and completed 2,885,450 treatments in India which represented approximately 10% of the total dialysis patients in India. Additionally, by September 30, 2025, Company served 31,046 patients and completed 1,591,377 treatments in India. . Company is also the largest dialysis service provider in Asia in 2025 and the fifth largest globally based on the number of treatments performed in Fiscal 2025.

Company is the only Indian dialysis services provider that has scaled internationally with a global network of 519 clinics, with 51 clinics internationally across the Philippines, Uzbekistan and Nepal, as of September 30, 2025. Company is the most widely distributed dialysis network in India with an extensive pan-India network of clinics across 288 cities, as of September 30, 2025 and 21 States and four Union Territories and in particular 77.35% of company's clinics spread across tier II and tier III cities and towns, as of September 30, 2025.

Company is present across 288 cities in India, as of September 30, 2025. While approximately 90% of all the Indian dialysis facilities are in urban areas (i.e., metro cities and tier I and tier II cities), company have established a footprint in tier II cities and tier III cities with 128 clinics and 234 clinics, respectively, comprising in aggregate 77.35% of company's clinics in India, as of September 30, 2025.

Company enhance patient accessibility by operating company's network of clinics across various formats including in-hospital captive clinics, standalone clinics, and government-backed public private partnerships ("PPPs") – enabling company to serve patients in private hospitals and government facilities. This flexible model has allowed company to scale rapidly while maintaining proximity to care and establish a footprint across tier II and tier III cities. Company have partnered with leading hospital chains in India including Max Super Speciality Hospital, Fortis Escorts Hospitals (a unit of Fortis Hospitals Limited), Care Hospitals, Wockhardt Hospitals Limited, Paras Healthcare Private Limited, The Calcutta Medical Research Institute, Jehangir Hospital and Grand Medical Foundation (Ruby Hall) to operate certain dialysis clinics. In addition, company have been able to expand its operations internationally through various modes including arrangements with hospitals, acquisitions and public-private partnerships. Company operate a global network of 51 international clinics including 41 in the Philippines, six in Nepal and four in Uzbekistan, as of September 30, 2025 and operate the largest dialysis clinic globally in Uzbekistan. Company also provide holiday dialysis, dialysis on call, and dialysis on wheels services to its patients in India further ensuring easy accessibility to dialysis services.

Globally, revenue from dialysis services was estimated to be around USD 75.2 billion in 2024 and it is estimated to grow at a CAGR of 7.1% during the forecast period of 2024 to 2029 to reach around USD 106.2 billion by 2029 driven by factors such as increasing prevalence of CKD, improved diagnosis of ESRD and increasing access to dialysis service. With company's focus markets of India, the Philippines and Uzbekistan together have a combined dialysis market size of about USD 1.9 billion, with more than 49 million in aggregate dialysis treatments per year in 2025, and expected to witness higher revenue growth of 19.3% in India, 22.6% in the Philippines and 16.7% in Uzbekistan between 2024 and 2029. In particular, the dialysis service market in the Philippines was valued at USD 492.2 million in 2024, and it is expected to reach USD 1,361.4 million in 2029 at a CAGR of 22.6%.

OBJECTS OF OFFER

The Offer comprises of a Fresh Issue of Equity Shares of face value of ₹2 each, aggregating up to ₹3,534.05 million by Company, and an Offer for Sale of 11,253,102 Equity Shares of face value of ₹2 each, by the Selling Shareholders.

Fresh Offer

Company proposes to utilize the Net Proceeds towards funding the following objects

1. Capital expenditure by Company for opening new dialysis clinics in India.
2. Pre-payment, or scheduled repayment, in full or part, of certain borrowings availed by Company; and
3. General corporate purposes

RISKS

Company derive a portion of its revenue from operations from its captive clinics, which are defined as company's dialysis clinics operated within private hospital premises under contractual arrangement, and such captive clinics accounted for 36.51%, 43.30%, 51.96% and 62.23% of company's revenue from operations in the six months period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, respectively. If company's contracts for operating captive clinics are cancelled or if company is unable to renew or retain similar revenue and operational arrangements, company's business may be materially and adversely affected.

Source:RHP



Consolidated Financials

(Rs in Mn)

Financials	FY23	FY24	FY25	H1FY26
Total Revenue (A)	4372.95	5661.55	7558.12	4735.01
Total Expenditure (B)	3887.00	4652.69	5891.75	3620.09
EBIDTA	485.95	1008.86	1666.37	1114.92
EBIDTA Margin	11.11	17.82	22.05	23.55
Other Income	59.64	85.67	141.03	104.65
Depreciation	468.79	561.13	724.69	429.62
EBIT	76.80	533.40	1082.71	789.95
Interest	162.71	201.79	208.34	511.02
PBT	-85.91	331.61	874.37	278.93
Share of profit in Asso	0.00	0.00	0.00	0.00
PBIT	-85.91	331.61	874.37	278.93
Exceptional	0.00	0.00	0.00	0.00
PBT	-85.91	331.61	874.37	278.93
Tax	31.98	-19.72	203.41	136.65
PAT	-117.89	351.33	670.96	142.28
NPM	-2.70	6.21	8.88	3.00
ROE%	-3.02	8.69	13.19	2.17
EPS	-1.53	4.55	8.28	1.69
Eq Cap	17.40	17.49	17.65	36.18
Net Worth	3,886.31	4,137.09	5,841.13	7,170.00

(Source: RHP)



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