

Date: May 29, 2026

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To, <b>BSE Limited</b> <b>Corporate Relationship Department</b> 25th Floor, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001 <b>Scrip Code: 543328</b>	To, <b>National Stock Exchange of India Limited</b> Exchange Plaza, Plot No. C-1, Block G, Bandra Kurla Complex, Bandra (East) Mumbai – 400051 <b>NSE Symbol: KRSNAA</b>
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Dear Sir/Madam,

**Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for Transcript of Earnings Call for quarter and year ended March 31, 2026.**

Pursuant to the Regulation 30 and 46 read with clause 15 of Para A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the earnings conference call held with the analysts and investors on Tuesday, May 26, 2026 at 12:30 Hrs. (IST) to discuss the audited (Standalone and Consolidated) Financial Results for the quarter and year ended March 31, 2026.

The above information will also be made available on the website of the Company.

Request you to take the same on your records.

Thanking you,  
Yours sincerely,

For Krsnaa Diagnostics Limited



**Sujoy Sudipta Bose**  
**Company Secretary & Compliance Officer**  
Encl: as above



“Krsnaa Diagnostics Limited  
Q4 FY '26 Earnings Conference Call”

May 26, 2026



**MANAGEMENT:** **MR. RAJENDRA MUTHA – CHAIRMAN & WHOLE TIME DIRECTOR – KRSNAA DIAGNOSTICS LIMITED**  
**MR. YASH MUTHA – MANAGING DIRECTOR – KRSNAA DIAGNOSTICS LIMITED**  
**MR. MITESH DAVE – GROUP CHIEF EXECUTIVE OFFICER – KRSNAA DIAGNOSTICS LIMITED**  
**MR. CHANDRA PRAKASH SINGH – INTERIM CHIEF FINANCIAL OFFICER – KRSNAA DIAGNOSTICS LIMITED**  
**MR. SUJOY BOSE – HEAD SECRETARIAL, LEGAL AND COMPLIANCE – KRSNAA DIAGNOSTICS LIMITED**

**MODERATOR:** **MR. BHARAT CELLY – EQUIRUS CAPITAL**

**Moderator:** Ladies and gentlemen, good day, and welcome to Krsnaa Diagnostics Limited Q4 FY '26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Bharat Celly from Equirus Capital. Thank you and over to you, sir.

**Bharat Celly:** Thanks, Steve. Good day, everybody. I, on behalf of Equirus Securities, welcome you all to quarter 4 FY '26 Results Conference Call of Krsnaa Diagnostics. Today with us, we have Mr. Rajendra Mutha, Chairman and Whole-Time Director; Mr. Yash Mutha, Managing Director; Mr. Mitesh Dave, Group CEO; Mr. Chandra Prakash Singh, Interim CFO; and Sujoy Bose, Head Secretarial, Legal and Compliance. So I would now like to hand over the line to Mr. Yash Mutha for opening remarks and subsequent to which we will have a Q&A. Thank you. Yash, over to you.

**Yash Mutha:** Thank you, Bharat. Good afternoon, everyone, and thank you for joining us. At Krsnaa, we are not building just another diagnostics company. We are building a diagnostic platform for Bharat. Working closely with governments to strengthen public health care infrastructure and improve access to high-quality diagnostics across the country.

At the heart of this mission is a very simple belief. Quality diagnostics should not be a privilege limited by affordability or geography. Through our PPP-led model, millions of patients, particularly from the economically weaker sections of the society are able to access advanced diagnostic services either at highly affordable prices or completely free of cost through various government health care initiatives. And in many ways, that is the true purpose behind the platform we are building. From the very beginning, Krsnaa consciously chose a different path from the conventional diagnostic players.

While most diagnostic businesses historically followed an asset-light, urban-centric and pathology-led models, Krsnaa built an integrated radiology and pathology platform, leveraging the PPP route, working with the governments to serve absolutely underserved geographies. And in that context, comparing Krsnaa with traditional diagnostic model alone does not fully capture the scale, purpose and the long-term structural value of the platform we are creating.

This is undoubtedly a more difficult and capital-intensive model to build. It requires investments in infrastructure, advanced medical equipment, technology systems, logistics capability and skilled health care manpower, along with the number of radiologists and qualified pathologists. But this very complexity is what creates Krsnaa's differentiation and the long-term moat because once such infrastructure is built at scale, it becomes extremely difficult to replicate operationally, financially and structurally.

Additionally, given the nature of our model where capital deployment happens upfront, while the utilization and monetization follows over time, our reported return ratios such as ROCE and

ROE during the expansion phases may not fully reflect the underlying operational potential of the platform being created. As these assets mature and the utilization scales up, we believe the operating leverage inherent in the model becomes significantly more visible.

What makes Krsnaa unique is the combination of integrated radiology and pathology capabilities, deep PPP presence, 24/7 operational capability, high affordability pricing and the ability to deliver diagnostics at a population scale while maintaining strong margins and quality standards. That is where Krsnaa stands apart. In line with this strategy, Krsnaa is cumulatively deploying nearly INR5,000 million of capex across Rajasthan, CT MRI expansions, retail infrastructure and associated back-end systems.

Against this, the company now has a long-term revenue visibility, both from the existing operations and the newly secured business, aggregating to nearly INR6,000 crores to INR7,000 crores over the next 5 to 7 years. That, in our view, is a very important reflection of depth, scalability and long-term visibility embedded within the platform we are building.

Coming to the FY '26 performance. Our revenues stood at approximately INR7,728 million. The EBITDA stood at approximately INR2,149 million with margins of around 28%.

Our reported PAT grew significantly to approximately INR1,014 million and the Q4 reported PAT alone stood at approximately INR417 million, growing over 101% year-on-year. Importantly, this performance was delivered while simultaneously executing one of the largest diagnostic infrastructure expansions undertaken in the country.

Today, Krsnaa operates 190-plus CT and MRI centers, 147 pathology laboratories, more than 4,700 patient collection centers, presence across 18 states and territories supported by 350-plus radiologists, 100-plus pathologists and 3,000-plus health care professionals. In FY '26 alone, we processed nearly 59 million tests and served approximately 20 million patients. These are just not numbers.

These are millions of clinical decisions enabled by Krsnaa's infrastructure. And importantly, we have achieved this while delivering diagnostics at prices which are nearly 70% lower than the prevailing market rates while maintaining margins comparable to some of the best players in the industry. India diagnostics PPP in Rajasthan is now substantially implemented with 27 mother labs and 800-plus collection centers being rolled out across the states.

Upon completion of our existing order book, Krsnaa will cross 200-plus CT MRI centers, an important milestone, making us one of Asia's largest radiology platforms. The radiology infrastructure, the pathology integration, the logistics capability and the doctor network, along with technology systems and the statewide execution create a very strong and long-term moat.

The second engine for Krsnaa is our retail expansion, leveraging PPP infrastructure. Unlike conventional diagnostic players who build retail through heavy incremental investments and customer acquisition costs, Krsnaa's strategy has been to leverage the deep diagnostic infrastructure we've already created through our PPP network across the country.

Retail today contributes approximately 8% of the company's revenues and is increasingly contributing towards improving the overall cash profile of the business. Strategically, we believe the retail has the potential to become a very meaningful long-term growth and cash flow driver for Krsnaa.

Our strategic investment in Apulki Healthcare has been in the right direction. The value gain of approximately INR222 million during the year validates our investment thesis around integrated tertiary health care and long-duration health care infrastructure partnerships. More importantly, Apulki positions Krsnaa within the oncology and cardiac care ecosystem, which we believe represents a very significant long-term health care opportunity in India. We also remain sharply focused on collections and working capital discipline during the year. In the half year alone, collections stood at approximately INR2,910 million, including INR1,580 million in Q4, the highest quarterly collection in our history. 14 years, virtually 0 bad debt.

That reflects the underwriting discipline and execution culture embedded across the platform. Krsnaa is built around accessibility, infrastructure efficiency, affordability and population scale health care delivery. We are building a health care infrastructure that serves millions of patients across India. Given the nature of PPP business, implementation timelines and project tenures can create variability across individual periods. However, if one looks at Krsnaa's journey over the years, the company has continued to grow consistently.

The headline numbers themselves reflect the strength and resilience of this model. Over the last couple of years, despite certain projects completing their tenure, revenues from these projects tapering off and implementation timelines in some large projects taking longer than anticipated, Krsnaa has continued to grow consistently while simultaneously expanding infrastructure and investing for the future.

In context, during the last 5-year period, Krsnaa has recorded an approximately 12% revenue CAGR compared to around 8% sales CAGR for the broader diagnostics peer group. In many ways, that itself is a validation of the scalability and resilience of the platform that we have built. Tenders and project cycles will continue to evolve over time, but what Krsnaa has created today is far larger than any individual contract.

It is a deep integrated health care infrastructure platform with strong execution capability, significant entry barriers and long-term public health care relevance. And that is why we believe the long-term potential of platform still remains significantly underpenetrated. So if I step back and look at Krsnaa today, I believe the company needs to be viewed not merely as a diagnostics business, but as a national health care infrastructure platform serving Bharat at scale. In many ways, Krsnaa sits at this intersection of health care, infrastructure and nation building, and I believe the full potential of Krsnaa is still unfolding. With this -- thank you now.

I now hand over the call to our Group CEO, Mr. Mitesh Dave, to walk you through further updates on retail and the operations. Over to you, Mitesh.

**Mitesh Dave:**

Hi. Good morning, everyone. I am Mitesh Dave, Group CEO of Krsnaa Diagnostics Limited. Welcoming you all today in the quarter 4 earnings call. Thank you, Mr. Yash, for sharing details

and the insights for FY '25-'26. Now as we close FY '26, I'm pleased to share that this has been a year of disciplined execution, strategic expansion and strengthening of our long-term fundamentals.

Despite the dynamic operating environment, Krsnaa Diagnostics has continued to deliver resilient growth while steadily improving operational efficiencies, expanding retail presence and strengthening cash flows across the businesses. During the quarter 4, our revenue from operations and sales stood at approximately INR1,926 million, representing year-on-year growth of around 4%, sequential quarter-on-quarter growth of nearly 7%. EBITDA for the quarter stood at approximately INR559 million with EBITDA margins of 29%, reflecting the efficiency and strength of our operational discipline, along with the scalability of our integrated diagnostic platforms.

One of the most encouraging development during the year has been our focused effort towards improving collections and strengthening working capital efficiency. Through the sustained engagement, disciplined receivable management and tighter execution across the projects, we have successfully reduced our DSO from 155 days in quarter 3 to 139 days at the end of the quarter 4 FY '25-'26.

This reflects not only improvement in cash conversion cycles, but also reinforces our sharp focus on building a healthier and more sustainable balance sheet. Our retail diagnostics business continues to emerge as a very strong strategic growth engine for Krsnaa. Retail diagnostics in India remains massively underpenetrated, especially outside metro cities and Tier 1 towns.

Patients are looking for transparent pricing, reliable reports, quick turnaround times and the health care experience that feels simple and accessible. This is where we believe our model creates long-term value. Quality and execution continues to remain the central to our organization. Today, at Krsnaa, we operate with 54 NABL accredited labs, 54 NABH accredited radiology centers, India's first ACR accredited tele-radiology platforms, India's first CAP accreditation pathology laboratory in the government facility. The journey for retail started approx a year before.

And within a year, retail contribution for FY '26 stood at approximately 8% of the overall revenue, in line with our strategic road map. More importantly, the underlying momentum continues to remain extremely strong. Today, our retail network has expanded more than 3,500-plus touch points across the country, including 500-plus franchises and collection center across 5 states.

Our foray into specialty segment in certain selective geographies strengthens our presence in strategically important markets, and we continue to see encouraging transactions across Maharashtra, Punjab, Assam, Odisha and Himachal Pradesh. Going forward, we remain highly optimistic about opportunities ahead for FY '27.

We expect retail contribution to further scale up to double digits, supported by strong network expansion, deeper customer engagements and increasing adoption of preventive health care and wellness services. With our asset-light model, operational expertise and growing brand

credibility, we believe Krsnaa is well positioned to outpace industry growth and deliver sustainable long-term value creation.

In FY '27, as a part of our strategic growth initiative, we are also exploring opportunities to expand in newer geographies beyond our existing PPP operational states through strategic alliances and selective acquisitions. We will continue to strengthen both our PPP and retail business while steadily building one of India's most trusted, accessible and future-ready health care diagnostic platform. With strong fundamentals, improving unit economics, a rapidly expanding retail footprint and a highly committed team, we are entering FY '27 with a confidence, clarity and large long-term vision for scale.

With that, I would now like to hand it over to -- call to -- call for the financial highlights to our Interim CFO, Mr. Chandra Prakash. Thank you very much.

**Chandra Singh:**

Thanks very much, Mr. Mitesh. Good afternoon, everyone. A very warm welcome to the quarter 4 and full year FY '26 Earnings Conference Call of Krsnaa Diagnostics Limited. Myself, Chandra Prakash Singh, I'm the Interim CFO of the company, and it is my privilege to walk you through the financial performance for the quarter and full year ended March 31, 2026.

FY '26 has been a year of systematic execution and milestone achievement for Krsnaa Diagnostics. We have achieved a sales of INR7,728 million against the previous year sales of INR7,171 million. We crossed INR1,000 million in reported PAT for the first time and achieved a reported PAT of INR1,014 million against the previous year PAT of INR776 million. We achieved EBITDA margin of 27.81% on a full year basis. Our EBITDA grew to INR2,149 million against last year EBITDA of INR1,958 million, representing a growth of almost 10%.

Our retail business scaled from almost INR10 crores in FY '25 to INR60 crores in '26, which is a sixfold growth in a single year that firmly establishes the consumer appetite for Krsnaa's brand of affordable and quality diagnostics. Our working capital situation is improving steadily. Collection of INR1,580 million in Q4 FY '26 was our highest for the year. And just to clear the recovery trajectory, we are going to increase this further. Our receivables stood at 139 days against 155 days in the previous quarter.

Our improvement journey to sub 120 days guided for FY '27 remains on track. Just as said by Mr. Yash, I wanted to reiterate this again, that we have maintained our unblemished record of virtually 0 bad debt since inception. The timing delays are administrative in nature, not a credit risk issue. Our balance sheet remains healthy.

Our borrowings include NCD issued to ADB were 4,300 million, term loans and working capital. We continue to fund our growth through a combination of internal accrual, operational cash flows and efficient vendor finance capex model. Capital allocation remains at the heart of our growth strategy.

We have planned a total capital investment of INR5,000 million in FY '27, which includes both the carryforward commitments from FY '26 and fresh investment in FY '27, which includes both Rajasthan and our projects in radiology and other projects. Looking ahead, we see FY '27 as a year in which all the investments we have made come together, Rajasthan in full swing, retail

achieving the breakeven and accelerating to next level, new MRI adding to radiology base, adding to the next layer of long-term growth.

The foundation is strong. The execution track record is proven and the opportunity ahead for us has never been larger. Last but not the least, I'm happy to share that the Board has recommended a dividend of INR2 per share, that is 40% of face value. With that, I would like to conclude the CFO's opening remarks. We are deeply grateful for your continued confidence in Krsnaa's journey.

I'm now inviting the moderator to open the floor for your questions. Thank you.

**Moderator:** Thank you sir. The first question comes from the line of Bala Murali Krishna with Oman Investment Advisors. Please go ahead.

**Bala Murali Krishna:** So I want to know any contribution from Rajasthan in the current quarter numbers? Also, how the ramp-up will take place in this financial year from Rajasthan? So like, we can expect H1 will be at full fledged?

**Yash Mutha:** So in this quarter, there was no contribution of Rajasthan. We were all in the phase of establishing the labs and the collection centers. We see Rajasthan contribution coming in from Q1 FY '27. The revenues have started coming up. The entire installation is expected to be completed majorly within Q1 and some bit of it going into Q2. So by Q2, we expect all the installations to be completed.

**Bala Murali Krishna:** What could be the revenue potential from Rajasthan in this year?

**Yash Mutha:** So Rajasthan, we believe the revenue potential to be in the range of about INR100 crores to INR150 crores on a full year basis.

**Bala Murali Krishna:** And a follow-up on that earlier we are expecting around INR250 crores to INR300 crores. So why there is a dip? Being a first year -- or is it same kind of revenue we can expect going forward also?

**Yash Mutha:** So from an aspiration and the project value perspective, the number that we quoted earlier holds good. It is just that we were considering the ramp-up here and from our experience, we'd like to have a conservative approach.

**Bala Murali Krishna:** Okay. Secondly, on order pipeline. So this is only the last tender we have to implement and also some Maharashtra radiology pending centers are to implement it. And as of now, there is no progress on the radiology because the centers remain similar. How do you see that will come -- when do you think that we can complete that radiology centers? And what could be the other chances of getting some new orders in the current financials? As of now, I think there is no pipeline also.

**Yash Mutha:** Sure. -- there are 2 parts of the question. The first part is regarding the MRI or the radiology projects. I'm pleased to inform you that the MRI centers have already been started launching in the last couple of months. So we have around 10 MRIs that are going live.

Some of them already live, some of them will be in the coming weeks or months. So we have MRI base getting activated. As regards to the other PPP projects, there are PPP opportunities, but as we maintained in the past, Krsnaa is conscious about which PPP project to participate and eventually add into our kitty. So there are a couple of PPP opportunities which are in the works. And hopefully, in the coming quarters, we should be able to update you all with the outcome of the same.

We continue to pursue opportunities, but also conscious of the fact that we have a large Rajasthan project under implementation. The MRI is now getting live and pursuing selective opportunities, which create long-term value for all of us.

**Bala Murali Krishna:** , on the retail part, this time it has been flat Q-o-Q. Being a scale business, I think it is a little bit slowdown in the revenue front. So how do you think this will shape up in the current year? And also on the margin front, so this quarter, we have good margins even excluding that valuation gain. So in this current year, can we maintain that 29%, 30% margins this is a one-off?

**Yash Mutha:** Sure. So Mr. Bala, on the retail side, I'll ask Mitesh to answer the query. With regards to the margin profile, we are working towards maintaining the current level of EBITDA margins. There might be some impact in the Q1 where there is upfront deployment of manpower.

For example, in Rajasthan, almost we are adding up 5,000 people. So to that effect, there will be some impact. But on an annualized basis, we are trying to maintain the same level of EBITDA margins that we achieved during the year. Mitesh, on the retail side, you...

**Mitesh Dave:** Hi good afternoon Mr. Bala, so, this is nothing but it's in basic part and parcel of any business, quarter-on-quarter a little bit muted. So it has nothing to do with the -- or nothing to impact on any long-term planning or long-term vision that we carry. Another quarter 1 and further upcoming quarters, you're going to see even a very large extent of growth and numbers coming through from the retail part.

**Bala Murali Krishna:** Okay. That's helpful. Last question is a bookkeeping question. So what is the amount of the receivables which are delayed by more than 6 months? So the long-term pending receivables are like Karnataka and Himachal Pradesh. So what is the status of that? And how much is pending as on from that old pending as on -- from that or pending the surplus, sir?

**Yash Mutha:** Yes. So for both the projects for HP and Karnataka, collections have happened. HP almost significant collections have happened. Karnataka also we've received a sizable chunk. There are certain people who are there, for example, some of the officials have been transferred. So there are delays. But I think it's in track. And hopefully, in the coming quarters, we'll be collecting those as well. The individual state-wide amounts, we'll share -- ask Sujoy separately with you.

**Moderator:** The next question comes from the line of Hitaindra Pradhan with Maximal Capital.

**Hitaindra Pradhan:** I hope, I'm audible. So sir, my first question is like adjusting for the nonrenewal this year. What was our like-to-like revenue growth on the PPP side? Because revenue growth was a little muted. So just wanted to -- adjusting for the nonrenewal was our organic growth this quarter and...

- Yash Mutha:** Our organic growth for like-to-like projects which are continuing is almost in the range of around 13-odd percent. And that was offset to an extent by some of our projects that got closed because of the tenure got completed.
- Hitendra Pradhan:** So 13-odd percentage for on full year, sir, and for the quarter?
- Yash Mutha:** For the quarter, I think we'll share the details offline with you.
- Hitendra Pradhan:** Okay, sir. And the second related question, sir, like any -- what are the quantum of projects that are up for renewal and we can expect any kind of nonrenewals this year, if you can give some color on that?
- Yash Mutha:** So I think except for Tamil Nadu, there are not major contracts which are up for renewal during the year. Because typically in this journey also many times, the authorities also give us enough to extend, the discussions are happening if tender is published or not. Not in the immediate, but if anything comes up, we'll update in the coming quarters as well.
- Hitendra Pradhan:** Okay, sir. And the second question, sir, is just wanted to understand on the PPP side again. I mean we provide a completely free of cost kind of treatment through government schemes. But are there any price escalation clauses there? I mean, what is the pricing looks like? I mean, if you can give some context and color to that.
- Yash Mutha:** Sure, sure. So for the PPP tenders, we have rate escalations which are factored into the agreement. They are contractually embedded. And these rate escalations vary for each tender, ranging anywhere from 2% to 5%. Some of them are annually, some of them every alternate year. So there are these pricing arrangements that are there in each of these contracts.
- Moderator:** The next question comes from the line of Surya Patra with PhillipCapital.
- Surya Patra:** First of all, if you can give -- what is the revenue breakup between the pathology and radiology for the year, sir?
- Yash Mutha:** I think there is a different -- I mean, the split within radiology and pathology is in the range of 50%, 50%.
- Surya Patra:** 50-50, okay. So my first question about radiology projects. So whether we have downsized a couple of pipeline projects because earlier the Maharashtra was something like 56-odd MRI CT center was supposed to be created. And now in this presentation, we are mentioning after the pipeline project, the number will go -- increased by just 10. So if you can give some clarity about that? And what is the update about implementation of the other pipeline radiology centers in the Maharashtra?
- Yash Mutha:** Yes. So I think from the headline numbers, there's no downsizing of any of our projects. As I said, if some of the projects would have completed the tenure, some of those centers would have got in. But on the radiology front, we are adding MRI centers. Like I mentioned, we have almost 10 MRIs that will be added in the coming quarter as well out of, I think, the total 17-odd MRIs

that we are under implementation. So those are the new centers over and above the existing numbers that we have shown.

**Surya Patra:** Okay. So that means the pipeline is just 10 more centers in the Maharashtra that is how one should be believe?

**Yash Mutha:** 10, and total is around 17, 10 are already at the installation stage, where they are under commissioning.

**Surya Patra:** Sir, now regards pathology and related to Rajasthan also, you have guided for about INR150 crores kind of annualized revenue. So since we are likely to set up something like 157-odd centers in Rajasthan, so we are talking about INR1 crore revenue per center kind of equation, which looks very, very conservative considering the INR3 crores kind of run rate what we are having. Any headwind that you do see for that PPP contracts, sir?

**Yash Mutha:** Yes. So Surya, I think that's a very valid question. And like we've been also maintaining in the past, from an aspiration perspective and the numbers that we've quoted, of course, the headline or headroom for growth is significant. We're just being calibrated in our guidance or the communication that we do wherein this is something we know which is realistic. Of course, there's an upside as more and more collection centers get activated, more labs get activated. So there's certainly an upside. But from a guidance perspective, we'd like to be maintaining a conservative stance.

**Surya Patra:** Okay. In that case, then may I know, sir, what is the kind of upfront cost that we would have already seen in FY '27 -- '26, which would have, to some extent, pressurized our margin so far as Rajasthan is concerned?

**Yash Mutha:** So Mr. Surya, we've been trying to see that the cost and the revenue go hand-in-hand. So in FY '26, there were not significant cost impact that came through, except for a few of, let's say, traveling or some of the logistic costs. Hopefully, in Q1, as I said, Q1, there will be some pressure because we have, as I said, almost 5,000 people onboarded at these different collection centers or the stuff. So that will be -- but again, the revenues are also flowing through.

So we are trying to see how the cost impact on the EBITDA is not very high and probably a few basis points here and there and should be able to allow us to continue to maintain the EBITDA margins.

**Surya Patra:** Okay. Just last question from my side.

**Moderator:** Sorry to interrupt, Mr. Surya, I would request you to please come back in the queue for further questions. The next question comes from the line of Manoj Dua with Geometric. I would request you to please come back in the queue. The next question comes from the line of Manoj Dua with Geometric.

**Manoj Dua:** My first question is, in Rajasthan next year, we can expect a sale of more than INR200 crores plus. As you know this territory also ramping up will be over till then?

**Yash Mutha:** Yes. So as I said from a headline, we expect around INR200 crores plus. But since also -- PPP is under the implementation, there could be certain opportunities. We are just being careful in terms of the guidance and risk-taking is about INR150 crores.

**Manoj Dua:** Okay. On retail, private. What is your aspiration for longer wall of around 3, 4, 5 years, whatever you can think of -- and can you just elaborate on that?

**Mitesh Dave:** Well, good afternoon, Mr. Manoj. And over the longer horizon, around 3 to 4 years or 5 years kind of a period that we are looking for, having contribution of retail alone within the entire group revenue close to 25% to 30% should be there in the line with.

**Manoj Dua:** Okay. And my last question, how much sales we are expecting from the MRI from the Maharashtra?

**Yash Mutha:** Could you just repeat the question?

**Manoj Dua:** Addition, addition. How much sales we can expect addition of adding more to MRI in the Maharashtra?

**Yash Mutha:** Manoj, we will share this number to you offline.

**Moderator:** The next question comes from the line of Mayur with Wealth Managers India Private Limited.

**Mayur:** So this is not a question first, the comment, so I'll go to the 2 questions which I have, but just opening -- just a comment. So when we look at the narrative around Krsnaa and the qualitative aspects, I think you tick mark all boxes with respect to the health care opportunity and the way it has done and the number of -- and the scale at which we are operating and even the business model at which we have been able to crack compared to the challenges which are there in the PPP.

So great narrative on that and great team execution there. In the same breath, I'd also say that the execution, and you will also appreciate that execution has lagged given the opportunity size which we had. Sir, I just had one long-ish observation and one from the year's perspective.

From a listing perspective, FY '21, we were looking at 20%, 25% as the minimum CAGR given the penetration, low health care opportunity size, the states at which we are present across the - - and it's been there. It's what we have been looking at over the long term. After 4 years, we are -- the CAGR is more in the region of 12%, 10%, 12%. And out of that, 2 years have been flattish. It's just that there has been lumpiness in 2 years.

And when we look at FY '27, while Rajasthan will scale up, but the pipeline of new projects, as you said, because of pricing and it's not there. So does it structurally break -- does it structurally mean that we are looking at a more calibrated growth as we go ahead given the capex requirements or given the challenges in there, firstly. Secondly, FY '25, I remember we were looking at 25% growth. We ended with 16% growth. FY '26, we were looking at 15% to 16% growth.

We ended with 1% growth. So even in the near term, the challenges versus -- of guidance versus what has been the delivery has been slightly subpar given the narrative. So sir, your comments on that?

**Yash Mutha:**

Sure. I think you kind of touched upon 2 aspects of the model. The first aspect regarding the PPP as a business model as an opportunity, that opportunity still exists. It still is there. The only difference in our approach as post listing, like you mentioned, of course, given the scale at which we were operating then, considering the various states that were supposed to deploy PPP, we were also bullish and looked at those opportunities to convert to mature and to deliver.

Having said that, over the period also, if you can see there are various PPP projects that Krsnaa undertook and which are under implementation. And some of those PPP projects, considering the scale at which they came in or the price point at which they came in, we decided not to participate.

The simple reason being we don't recklessly pursue PPPs, and that has not been just post listing. It has been since the historical trends and the reason why Krsnaa is able to be a successful company in the PPP space, whereas there are other players who have not been successful enough. So this is -- which is at core at Krsnaa.

We look at PPP projects, which are in the same table to create long-term value. Now with regards to the growth, when you mentioned about whilst, yes, we had aspirations to grow at a higher, there were also certain reasons. Some of the reasons could be attributed to, as I said, delays. Just to give you a reference of Maharashtra, the Maharashtra project itself has certain delays getting government sites on time. So when we project, we expect certain things to happen in a certain amount of time, but then there are these operational delays.

Some of them were setbacks, which we did experience beforehand. So these are there. Fundamentally, the model remains intact. The strength in the model is there. We continue to look at PPP projects.

And as I said, there are a couple of PPP projects in pipeline, which we are working towards. And hopefully, we should be able to announce it in the coming quarters. So I don't see a change. Yes, we have been calibrated in our approach in terms of the guidance considering these backgrounds and which I believe is a more mature way of looking at the business since the last couple of years.

**Mayur:**

Right. Okay. So the second element is slightly more on the financial side. I'll just club 2, 3 in order to combine them, request you to answer each of them on just one by one. I'll club it so that it's the part of the 2 questions.

One is the Rajasthan total capex was expected to be INR200 crores to INR250 crores. The CWIP shows more than INR200 crores. So largely, what it shows is a large part of it has already gone inside. With respect to that, yes, we are seeing FY '27 to be INR500 crores -- so where is that balance such a large capex expected to come from, given the fact that the projects pipeline at least has not been yet announced and it will take some time. So the actual...

**Yash Mutha:** Yes. So the INR500 crores capex is a combination of Rajasthan, the MRI projects put together. So Rajasthan, about INR300-odd crores. And if you take MRI, which is about INR150-odd crores and the balance are for certain small projects like we fund in Jharkhand and Ranchi. So that combination put together is a 500 crores capex that is outlined. Now...

**Mayur:** Sir, is that the cash flow capex? When we say capex, we understand as cash flow. Are you talking of capitalization?

**Yash Mutha:** This is capital investment. So when I say capital investment, it's a combination of the debt, the combination of our internal accruals that we would be -- and it's an investment that...

**Mayur:** We will be spending INR500 crores in this year is what you are saying? Because we must have spent for Rajasthan already, right?

**Yash Mutha:** So let me just clarify. The INR500 crores capex is the capitalization that we expect to happen in this financial year. Out of which, some of it is, right? And the balance, like even the Maharashtra MRI projects will -- the capitalization will happen in this year. The amounts were paid at different points in time either to vendors or to capital advances. The capitalization and therefore, the capital investment happens in this financial year. I hope that clarifies the question.

**Mayur:** Yes, yes. Now it clarifies, yes. So on the number side, as I was trying to ask, we also had aspiration to bring the receivables down to 100 days at the start of the year, subject to the expectation. We are at 135 days. So on the receivable side, also, if you can mention what has gone -- there has been regularly some or the other developments, whether it was the systems upgrade at NABL and NHM, whether it was shifting -- people of shifting, as you mentioned, or some of the other things.

But then we are still guiding for 120 days. The understanding was it should be more in the region of 100 days. So why are we going back to 120 and not able to achieve 100 days? And how long do you see that the Rajasthan and HP -- sorry, the HP and Karnataka things will continue to be there in the numbers. Sir, please let me just complete one more small question so that my turn is over and I'll come back in the question -- in the queue.

Just one small thing. Rajasthan FY '27, once it comes in the P&L, do you believe that FY '27 PAT will be higher than FY '26 because of the cost and other things? That's it. Yes, sir. 2 questions.

**Yash Mutha:** Okay. So again, I'll try to answer the 2 questions. The first one was regarding receivable delays. The receivable delays are something which if you see, again, historically, we have not seen these kind of delays, and we appreciate that, and we've taken significant efforts to bring it down. The challenges are something which are -- some of them are beyond our control.

For example, when an MD NHM officer or a government official gets transferred or moves out, the new officer takes his own time to look into the records. There were also some challenges from the funds that were coming from the central and the new system, the SNS SPARSH that is being deployed, where there are operational challenges at the respective governments. So there are multiple reasons why the receivables. And therefore, whilst if you see internally, we would

love to bring it down to 100 days, which has been our historical trend. But considering the realistic position on the ground, we have now looked at bringing it down to 120 days. We've already come to almost 139 days, and I think the teams are geared up to bring it down with a stronger documentation. And also, if you see a reflection from a past track record of 14 years, which is almost a virtual 0 debt, we try to maintain that.

And that is how Krsnaa, whether it is through our documentation or through the process or the checks and balances, we try to achieve that. Now coming to your second question about the profits once Rajasthan gets fully implemented, whether they will be higher. Directionally, yes, we would love to have profits which are higher, but we are also cognizant that there's an impact of ramp-up that happens and the revenues, which I said from a conservative basis.

So we would love to achieve that. But I think then as maybe in the coming quarters, we'll be able to have a much better clarity once the full labs get deployed, the full staff gets deployed. But yes, aspirationally, we are trying to achieve at least the same level of PAT margins in the coming year as well.

**Moderator:** Mr. Mayur, I would request you to please come back in the queue for further questions. The next question comes from the line of Lokesh Manik with Vallum Capital.

**Lokesh Manik:** Yes, my question was on radiology. So '24 to '25, we expanded from 148 centers to 180 centers. We were expecting some revenue flow through at least in '26. So by when do you expect this expansion that we took from 148 to 180 for the revenue to come in?

**Yash Mutha:** Yes. So the revenues are expected to come in this year. As I said, there were certain delayed installations of various centers. The revenues will start coming for radiology this year as well.

**Lokesh Manik:** Okay. And my second question, just a clarification. Yash, that is it correct to understand that by Q2, we will have all the infrastructure up and running for Rajasthan, which would take our pathology lab network to about 297, including satellite and other large and reference labs. That is one. And second, do we see FY '27 where radiology goes, like you mentioned, 190, we are already, 10 we are adding and 60 are in pipeline. So that 60 also gets completed by FY '27 exit?

**Yash Mutha:** Could you just repeat the question? I think you spoke on the pathology front?

**Lokesh Manik:** Yes. So pathology going to 297, which is existing plus Rajasthan coming in. Is that the correct understanding by Q2? Would that happen?

**Yash Mutha:** Yes.

**Lokesh Manik:** And second is radiology, we are at 190. We are adding 10 centers in this quarter, Q1. And you mentioned there are 60 or 17 pipeline. So will that also get added by this year or that will get added by the next year?

**Yash Mutha:** Total are 17 out of which 10 will be added in this quarter and the balance 7 will be in the coming quarters.

**Lokesh Manik:** By FY '27 exit, we will be at about 260 radiology centers as well. Is that understanding correct?

- Yash Mutha:** No, 190 plus 17.
- Lokesh Manik:** 17, okay. Okay. Got it. Got it. Got it. That's it from my side.
- Moderator:** The next question comes from the line of Vinod Krishna with Aventus Wealth.
- Vinod Krishna:** Sir, am I audible?
- Yash Mutha:** Yes, Vinod.
- Vinod Krishna:** Sir, it's great to see such a health care platform build. But my question is coming from the long term to understand the inherent risk in the business because we are dealing with governments. So how should we think because receivables, it's last 2 years, you have this Himachal and Karnataka. Tomorrow, governments can change in other states. And if it happens in another 1, 2 states, suddenly our balance sheet and our business model will look at -- look very risky.
- Now we have started taking debt and we are going in huge expansion phase. So how do you think that you said you never had debt, but maybe because maybe that may not repeat because we have already seen 2 states giving us a lot of trouble. Tomorrow, governments can change the center in many states, right? So how should we look and business model can within 2, 3 quarters can completely be off the tracks, right? So how should we think -- how you guys are taking care of the receivables risk? Or how -- why should we think that receivables is not a big risk for this business model?
- Yash Mutha:** Sure. I'll answer that. So there are -- if you look at Krsnaa historically as well, we've seen various governments come and go. It is not that this is the first time we have seen. Governments will come and go.
- These tenders typically are with central and the state combination. Per se, as I said, as a business model, the risk does not change significantly. There have been procedural delays. There were elections post that, the new system came in. And of course, some of the budgetary approvals from the center and state. But if you see apart from these 2 states, we are doing business across 18 states and the problem doesn't exist in the other -- so many states. So...
- Vinod Krishna:** Sir, but other states are BJP, these 2 states are Congress. So tomorrow Congress can come in other states, right?
- Yash Mutha:** No, no. Even we've seen governments change where Rajasthan, it was earlier in the Congress, then it came to BJP. Likewise, we've seen other states where governments have changed, whether it is Congress or BJP, it really doesn't matter because as I said, these funds are from the NHM, which are central driven funds, and they are following through a budgetary process. The delays, as I said, mostly are operational in nature, nothing to do from a structural or a strategic.
- Vinod Krishna:** But in the contract, do we have any liabilities if we stop doing services like you stopped one service in Karnataka. So how are you -- like -- that clarity if you can give because this is...
- Yash Mutha:** I'll answer that. So in some of these contracts that there are arrangements where we can suspend the operations if payments are not done. And again, as I said, Krsnaa has been what we call it as

temporary suspension of these operations, wherein we inform the authorities in advance that the payments are getting stuck. So kindly release the payments or we will be forced to suspend. When we do this, and this has actually borne fruit where we are now receiving confirmation from the government that the payments will be made.

In some instances, the payments have also come through. So these are -- as I said, this is a partnership between the government. And this is -- whilst there are other sectors where payments are getting impacted, but considering health care and the NHM-driven model, we do get our funds on time. Delays have happened. But as I said, it's an aberration, but we are continuously monitoring this and taking steps to again strengthen this going forward.

**Moderator:** Mr. Vinod, I would request you to please come back in the queue for further questions. The next question comes from the line of Nikhil Gupta with Vaayu Capital.

**Nikhil Gupta:** I hope I'm loud and clear. So we are basically new to the business, trying to understand the aspects and most of my questions have been answered. So one question on the leadership team. Can you talk about the few high-level resignations people are working because I can see so many resignations in the past few months, CFO, CBO, CEO has left. Also in the last con call, I think Ms. Pallavi Jain was there. She was Executive Director. Can you talk about her profile, what she was handling and what she's doing right now? So basically, high-level question on the leadership team because it's a very operational heavy business.

**Yash Mutha:** So yes, I think from an operational perspective, the leadership team remains intact. It's strong to continue to deliver. People will come and go. It happens in any company as it move along. Just to give you a reference, our earlier CFO spent 5 years.

And after 5 years, he wanted to pursue his own personal growth plan. So that is all. 5 years itself demonstrated that there was stability and likewise for the other players, including Pallavi, her role was handling the installation of our centers, looking out at government. But again, after having spent so many years and as discussed at the Board. So fundamentally, as a -- from a leadership team perspective, the team is stable.

We have Mitesh Dave, our Group CEO, along with me, our Chairman as well and now the interim CFO and the rest of the team. So I think the team is intact and strong to deliver growth and value in the coming years or coming quarters as well. And any specific details, you can reach out to Sujoy, and we'll share more of the details offline.

**Nikhil Gupta:** So last follow-up question on the same thing. I think Pallavi was the co-founder at the start, right? Why was she not given an equity at that particular stage?

**Yash Mutha:** So I think Pallavi wasn't a co-founder. She was part of the founding team member. And regarding the equity or not, I think those are personal questions, which we'll probably take it offline.

**Moderator:** The next question comes from the line of Surya Patra with PhillipCapital.

**Surya Patra:** Yes. Just a follow-up sir. Just on the Apulki, now that you have mentioned that Apulki is no longer an associate company. So does that mean we have monetized our investment there? That

is one. And the related question is that Apulki in the chain of Apulki Hospitals was considered to be one of the key growth drivers for us also. So what happens to that opportunity if Apulki is not part of our -- is not a partner for the business going ahead?

**Yash Mutha:** No, no, no. So Mr. Surya, Apulki's investment from an accounting, it's not an associate. But our partnership is intact. We have exclusive rights for all the diagnostics, both in the cardiology and oncology space for the next 30-plus years across all the hospitals that Apulki will be coming in. The first one was recently launched by the hands of Honorable Chief Minister of Maharashtra. And therefore, now it's entering into the business where the business will start ramping up and the other hospitals under different stages of construction.

So we do have the growth strategy that we had envisaged that is bearing fruit. As these hospitals ramp up, we have the exclusive tie-up for the revenues on the diagnostic side. And again, as you are aware, oncology and cardiology both have significant diagnostic requirements. And therefore, we see a strong upside in the years to come from Apulki as a strategic partnership.

**Surya Patra:** Second point was that, sir, in the opening remarks, you have mentioned that expanding business beyond -- geographically beyond India, it sounded that way. So any thought process on that front or any initiatives that you have taken? Or how is it?

**Yash Mutha:** Yes. So we have conversations going in some of the states where we are not present on the PPP. These are some of strategic alliances across the states. I think probably by end of Q1, we should be announcing some of these alliances as well.

**Surya Patra:** That is domestic expansion, geographic expansion, right?

**Yash Mutha:** Yes. Yes. Yes.

**Surya Patra:** Okay. Just last one point about RPL, sir. Can you share what would be the EBITDA that we would have generated out of RPL in the first year of enrollment -- I mean implementation and all that?

**Yash Mutha:** You mean the first year of RPL?

**Surya Patra:** I mean FY '26 could be a kind of practical first year for RPL. From that angle, I was saying that, okay, at what level of EBITDA that we would be operating? And what scope of expansion in the margin front in the following year with the further ramp-up?

**Yash Mutha:** Yes. So in the first year, the EBITDA was negative, I think marginally -- largely because of we had to deploy the manpower for scaling up in these geographies, some of the logistic costs. But in this FY '26, '27 is where we are looking at positive EBITDA and trying to get it to the same levels of the consolidated EBITDA level by the end of financial year, FY '26, '27.

**Surya Patra:** Okay. So then is it fair to believe, sir, the margin scenario trajectory for FY '27, considering the kind of hit we would have seen from RPL in the FY '26 and some marginal hit from Rajasthan and incremental revenue-led expansion or contribution coming from the radiology new centers

and Rajasthan also. So on the margin front, we should see a kind of a decent scale improvement on a Y-o-Y basis for FY '27?

**Yash Mutha:** Yes. So I think directionally, we are also aspiration towards having an improvement. As I said earlier, a combination of our existing business, the retail also as well as the Rajasthan picking up. Quarter-wise, there might be some aberration because of revenue not being commensurate, especially on the Rajasthan front. But I think from a -- if you look at it from a year-end perspective, we believe that the EBITDA margins at least should be same and not have a dent. And of course, looking forward for an upside through these various levers that we are working on.

**Moderator:** The next question comes from the line of Deepak Ajmera with IGE India.

**Deepak Ajmera:** My question is on the retail side. If I look at the touch points...

**Moderator:** I'm sorry to interrupt, Mr. Deepak, could you please use your handset? Your voice is not clear.

**Deepak Ajmera:** Yes. Now it is audible.

**Moderator:** Yes, sir.

**Deepak Ajmera:** Okay. On the retail side, if we look at the touch point, it is coming down consistently for last 2 quarters and the revenue is also lower compared to last 2 quarters. So what's -- whereas we have a huge aspiration on that segment. So what's your take there?

**Yash Mutha:** Sorry, could you just repeat the question?

**Deepak Ajmera:** On the retail side, the touch point is coming down consistently for last 2 quarters. And revenue is also almost flat or down compared to last quarter.

**Mitesh Dave:** I guess you need to check around the data and because the touch points and the expansion is pretty much progressive quarter-on-quarter from quarter 1 to quarter 4. And in quarter 3 versus quarter 4, absolute addition has gone for 703 rather as in touch points. However, in quarter 4, revenue is a little muted versus quarter 3. And that's a basic part of any business. So it is nothing too much look around because it has revived back and it is on a very strong growth trajectory as well.

**Deepak Ajmera:** Hello?

**Moderator:** Deepak sir, could you please repeat your question?

**Yash Mutha:** We answered the question. Were we audible?

**Moderator:** Yes, sir. Mr. Deepak, does that answer your question? As there is no response, we move on to the next question. It's from the line of Pooja Sanghvi with InCred. Please go ahead.

**Pooja Sanghvi:** I just wanted to ask whether the Rajasthan capital expenditure will be capitalized from Q1? And also what will be the impact on depreciation and interest cost for FY '27? If you can quantify the depreciation and interest cost numbers outlook? Thank you.

**Yash Mutha:** Sure. So Pooja, the capitalization will happen from Q1 onwards, around almost INR200-odd crores. On the specifics with regards to the depreciation and interest, I'll ask Sujoy to come back to you separately on this.

**Moderator:** Ladies and gentlemen, that was the last question for today. I now hand the conference over to Mr. Yash for closing remarks.

**Yash Mutha:** Sure. Thank you. Thank you, everyone, for joining our Q4 FY '26 earnings call. Hopefully, we were able to address all the queries. If any questions remain unanswered, please feel free to connect with Mr. Sujoy Bose, our Company Secretary, and looking forward to interact with you in the coming quarters. Thank you, and have a good day ahead.

**Moderator:** Thank you. On behalf of Equirus Securities, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you