



CHANDAN HEALTHCARE LIMITED

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Date: February 16, 2026

To,
The Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra- Kurla Complex, Bandra (East),
Mumbai - 400 051

Symbol: CHANDAN
ISIN: INE0B2N01016

Subject: Submission of Transcript of Earnings Conference Call held on February 16, 2026

REF: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule III thereof, we hereby submit the transcript of the Earnings Conference Call held on **Monday, February 16, 2026** to discuss the financial results of the Company for the quarter and nine months ended December 31, 2025.

The transcript of the said conference call is enclosed herewith for your information and records. The same is also being made available on the website of the Company at www.chandandiagnostic.com

You are requested to take the above information on record.

Yours faithfully,

For Chandan Healthcare Limited

Rajeev Kumar Nain
Company Secretary & Compliance Officer

Encloses: As above



**“Chandan Healthcare Limited
Q3 & nine months FY'26 Earnings Conference Call”
February 16, 2026**



**MANAGEMENT: MR. AMAR SINGH – CHAIRMAN AND MANAGING
DIRECTOR – CHANDAN HEALTHCARE LIMITED
MR. RAJEEV NAIN – CHIEF FINANCIAL OFFICER AND
COMPANY SECRETARY, CHANDAN HEALTHCARE
LIMITED**

**MODERATOR: MR. PARTH ACHARYA - KIRIN ADVISORS PRIVATE
LIMITED**



Moderator: Ladies and gentlemen, good day and welcome to Chandan Healthcare Limited Q3 and nine-months FY26 Earnings Conference Call, hosted by Kirin Advisors Private Limited. 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 this 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. Parth Acharya from Kirin Advisors Private Limited. Thank you, and over to you, sir.

Parth Acharya: Thank you. Good evening, everyone. On behalf of Kirin Advisors, I welcome you all to the conference call of Chandan Healthcare Limited. From the management team, we have Mr. Amar Singh, Chairman and Managing Director; Mr. Rajeev Nain, CFO and Company Secretary. With that, now hand over the call to Mr. Amar Singh.

Amar Singh: Thank you, sir. Good afternoon, ladies and gentlemen. It is my privilege to address you at the time of closing third quarter of 2026. And this period has been one of remarkable progress and renewed commitment towards our mission of transforming healthcare across India. This year has been very special for us, and delighted to announce the start of six comprehensive diagnostic centres in different cities. These centres are equipped with advanced pathology and radiology services and already making a positive impact in their communities.

Our expansion continues with another comprehensive centre scheduled to open in Raipur next month. It is at the last stage of completion, and it will further strengthening our footprint to various parts of India. In addition, we have already started operations at two laboratories within Jeena Sikho hospitals. And they are located at Meerut in UP and Dera Bassi in Punjab. These labs will enhance access to quality diagnostic for Jeena Sikho patients.

Next month, we will launch nine more labs, which are at last stage of completion, and one by one, these labs will be started in this month and very next month. And this is a part of our commitment to become global. And these are Mumbai, Kolkata, Chandigarh, Ahmedabad, Surat, Vadodara, Guwahati, Kurukshetra, and Kota. We are also upgrading our existing centres by having 10 Bone Marrow Density machines and five Fibroscans, these are the liver scan machines, five Fibroscans in Q4 '26, in the next, this quarter.

We are proud to announce the opening of two wellness centre in Delhi and Raipur next month. And these centres are designed to promote preventive care and holistic well-being offering specialized services to local communities. We are also celebrating an important milestone receiving award for our radiology services in eight districts hospital across Punjab and one Railway Hospital in Guwahati, Assam.

Operations in these hospitals will commence over next six months, one by one, ensuring high-quality imaging and diagnostic for a larger population of these areas. Our reach now extends to 13 states in this financial year, showing our dedication and teamwork. We have enrolled franchisee at over 100 locations, and the results will start coming from this quarter. And this,



these are empowering partners and expanding our network to serve more and more people across India.

This strategic growth will have a strong foundation for our future plans because our future belongs to 1,000 franchisee in next three years. And looking ahead, we are preparing to launch three more comprehensive centres and 13 laboratories across three states next year. This is our next year plan. And one Genome lab at Lucknow and one PET scan at Gorakhpur, this is our first PET scan, is also planned in H1 '27. Our wellness centre and central lab will also start in H1 '27 at Jankipuram, Lucknow, together with all the radiological services.

And this central lab will be the largest lab in Uttar Pradesh. And lastly, I wish to express my heartfelt gratitude to all our team members, investors, for their continued support and belief in our journey. And together we are shaping a bright future for healthcare in India. Let us continue to move forward with optimism and determination as we strive to touch more and more lives and achieve greater milestones. And now I hand over to Mr. Rajeev Nain, our CFO, for declaring Q3 '26 results. Mr. Rajeev. Thank you.

Rajeev Nain:

Thank you very much, sir. Good afternoon, everyone. So I am excited to share with you all the financial highlights of this quarter. The quarter ended 31st December, 2025. So during this quarter, we achieved a very good growth of 20% in top line. So our sales stood at INR65.77 crores during this quarter. The major contributory to this growth is diagnostic B2C sales which grew almost 34% as compared to last year.

The EBITDA during this period registered a growth of 39% as compared to last year, which stood at INR12.61 crores. The EBITDA margin also grew by 263 basis point, and it was 19.17% of sales. I need to mention that during this period, during this quarter, we did a provision of INR2.2 crores, which is exceptional one-time provisioning of gratuity cost.

So it is one-time cost we did this quarter. So after that, we achieved a PAT of INR4.54 crores, which is 7.97 basis point, which is 7.97% up as compared to last year. So PAT margin was 6.9%, which is 7 basis point down, because of this one-time exceptional item of INR2.2 crores. So now, I welcome all question and answers for this session.

Moderator:

Thank you very much. We will now begin with the question and answer session. The first question comes from the line of Priyanshu Jain from GrowthX Infinity. Please go ahead. The next question comes from the line of Parth Acharya from Kiran Advisors. Please go ahead.

Parth Acharya:

Hello. Yes Rajiv, so there seems to some like issue. Can you in the meanwhile walk us through key highlights of Q3 operational?

Rajiv Nain:

Okay, should I repeat the highlights financial highlights?

Parth Acharya:

Yes sure. There seems to be some issue with the queue. The participants are, like they are not able to speak up. In the meanwhile, you can just walk us through the Q3 operational highlights.

Rajiv Nain:

So again, the Q3 numbers, the top line for this quarter was INR65.77 crores, which is 20% up as compared to last quarter of last year. So major contribution to this sales was diagnostic B2C



sales, which grew almost 34%. The EBITDA for this period, this quarter stood at INR12.61 crores, which is almost 39% up as compared to last year.

EBITDA margin during this period was 19.17%, which is 263 basis point up. PAT during this period was INR4.54 crores, which is 7.97% up as compared to last quarter. And during this quarter, we did a provision of INR2.2 crores of gratuity, because of some revision in wages as per new labor code. So PAT after that was INR4.54 crores. PAT margin during this period was 6.9%, which is 7.7 basis point down.

Parth Acharya: Yes, so now we can open the question and answer session.

Moderator: Thank you. So can I announce the questions?

Parth Acharya: Yes sure.

Moderator: The first question comes from the line of Priyanshu Jain from GrowthX Infinity. Please go ahead.

Priyanshu Jain: Hi sir, congratulations on good set of results. Sir, going forward, as we are planning to do around 1,000 diagnostic centres through franchisee, so can you tell us the capex which is required for per franchisee?

Amar Singh: Sir, for franchisee, we don't need to invest anything. Actually, we have to invest in our labs only. And we are planning to start 100 labs in three years. And already in this year, we have already started more than 13 labs, and next year also we are going to start more than 13 labs and few comprehensive centres which has all pathological and radiological services.

As far as franchisee is concerned, these are the collection points. Somebody takes the franchisee of Chandan Healthcare, and he collects the samples and transfers to our lab. And our investment is in labs only. And for that, we are planning to invest nearly INR100 crores in three years.

And for that matter, we have already gone for preferential shares of INR104 crores. So we are having money, and we are regularly investing, and lot of investment we have already done in this year, and in next two years also we will continue to expand.

Priyanshu Jain: Okay. Sir, can you tell us the capex for per laboratory as we are doing as of today?

Amar Singh: Yes. If we are having our own laboratory, actually we are putting some laboratory within the Jeena Sikho Hospital, but they are very few, hardly seven or 10, they will provide the space. Otherwise, we are putting lab outside.

And whenever we start a lab, actually to prepare a setup, we have to invest nearly INR50 lakhs to INR75 lakhs depending on the size of the place. And besides this, we have to invest nearly INR50 lakhs more. That simply means for each laboratory we are investing nearly INR1 crore.

Priyanshu Jain: Okay. Sir, can you throw some light on it, right now we have partnered with Jeena Sikho for



next five years. So what is the traction we are getting right now, and what is the plan over there, because there is a card, which is being launched by Jeena Sikho. So can you throw some light on it as well?

Amar Singh: Sir, card, it is their card. And they are using this card for their own hospital purposes. As far as we are concerned, at the moment, we are having nearly INR2,50,000 to INR3 lakh per day. It is touching INR3 lakh per day. And we have covered only 25% to 30% of their hospital and clinics. And in next six months, we will cover nearly 80.

And in next one year, we will cover 100%. And moreover, whatever they are going to expand, they will give us space for lab inside their hospital. That simply means at the moment, if we are getting INR3 lakh per day collection, it is hardly 25% to 30% what we are going to get in next one year.

Priyanshu Jain: Okay, that's nice. Sir, just two more questions. So is on the competition side, like, we have Dr. Lal and other diagnostics companies. So like what is the differentiator which we are offering to our customers or like on the price point or like going forward we are providing something additional benefits to our customer or clients? So how is the deal over there?

Amar Singh: Okay. Actually, if we are going for franchisee, definitely in case of franchisee, we have a direct competition with Dr. Lal and Thyrocare and Metropolis, all. But our main business belongs to our comprehensive centres which gives all pathological and radiological services.

And besides this, we are putting more and more labs all over India just to get 100% work of Jeena Sikho, as well as we are involved in getting work from insurance companies, corporate sectors, and sometimes we have affiliation with government sector also and franchisee and we have a direct footfall also.

I just tell you, whatever, what they are doing, they are putting the lab at a distant places where there is no footfall. They are based on collections from the franchisee. But our franchises business is going to happen in future and that will be hardly 10% of the total business.

And in case of comprehensive centres, we don't have any competition of a larger player. We just have a competition from a local players. What local population is getting services of pathology and radiology from local pathologist and radiologist; they are our competitors.

And it is very easy to compete with them. Just because we can do at a lesser rate also, and moreover we have a better branding, and we have a global presence, and we are doing all type of tests. And they are not able to do all type of tests, because few tests they get it done from bigger labs.

But we are going to give all type of test at a lesser rate. We have a better branding, and we have a larger presence all over India. So for local players, it is very easy to beat them. And as far as big players are concerned, they are not into it. They are not giving all type of facilities under one roof.

We give all type of facilities under one roof and getting patients directly at our centre. Because



doctors refer patient to us, and we have a loyal customers. They are repeatedly coming to our centre. And that is our main differentiator from these big players.

Priyanshu Jain: So sir like, if I summarize what you said, whatever footfall we are getting that is one from the doctors which we have affiliated with. So they are going to refer the patients to our labs. That is first point.

Second point is that the customers, who are, like, sorry the competition which is there at a local level, because we are providing better services and majority of the services under one roof with big players as well. So that is our plus point. Is my understanding correct like over there?

Amar Singh: Yes, you understood correctly, but there is one difference. Referring patients, we are dealing with referring patients 50%. And rest of the 50%, we get 3% as a self patients and 40% we have a corporate business from insurance companies, public sector units, banks and all CGHS, all corporates we are getting nearly 40%. And 10% we get directly; patient directly comes to us.

And 50% we get as a reference from the doctors. This is the equation of having the patients at our centre. And why it is so? Because we get repeated patients. Repeatedly every big corporates go for health checkups. And we have affiliation with all big, more than 200 affiliations we are having in every city.

And that's why we are getting the patients every year for health checkups also. We are getting patients of insurance companies, and we are getting patients from CGHS and other bank, other dispensaries also. So you are right. We are we get patients from the doctors, from as a self-patient and from corporate. And moreover, now if we are putting more and more franchisee, we will get the samples from franchisee also.

Priyanshu Jain: Okay, that's nice. So just two more questions. Like on the EBITDA side what we are planning like these are the sustainable EBITDA margins going forward?

Amar Singh: Sir next year, we will start a Punjab and Guwahati project and that project is INR52 crores per year. It is already declared. It is a government project, and we have already won this project. And within six months, we will install all the MRI and CT scans everywhere in nine district hospitals. And that business, as far as government has conveyed, it is INR52 crores but most of the time it is more than that.

That will be added to our normal growth of our company. So this will be a game changer also in next year. And moreover, we are putting more and more comprehensive centres and lab, definitely, there will be a big difference in next year. It will not be like this what we have done in this year.

Priyanshu Jain: Sir, that's good but EBITDA margin side, what we are like, they will going to improve in future or like these are the sustainable margins, which we deliver in this particular quarter?

Amar Singh: Definitely, EBITDA margin will improve, just because, during the course of expansion, and this EBITDA margin is affected for some time. But as soon as we will have more and more



centres that becomes older and more matured then EBITDA margin increases. And in this quarter as my CFO has already told you the EBITDA margin is affected by our code.

Basically gratuity the onetime expense we got INR2.2 crores, and that that affected our EBITDA for this quarter. But definitely it is a one-time expense, and it is just because of labour code -- new labour code from the government. That is the reason it is affected, but otherwise EBITDA margin will gradually improve all the time.

Priyanshu Jain: Okay sir. Sir just last question is on the revenue mix side. So going forward, what we are planning? Because we are getting so much traction in the B2C business. So what are, like, is our target going forward, like, this is from the government, this much will from corporates, and this much will be our B2C?

Amar Singh: Actually, we are trying to do more and more B2C, somewhat less B2B and least B2G. But sometimes these equations are not in our hand. Sometimes when we have more and more comprehensive centres in a year, B2C segment increases very high. And sometimes we get a radiological association from government then B2G becomes higher.

But our aim is to keep all these three at a equal level. 33%, 33%, 33%. This is our aim. But sometimes it varies from 30% to 40% for any segment. And that is that is okay, because government business, government contract, when it comes, when it goes, it is not easy to decide, and it is not in our hand. That's why sometimes equation changes.

But our aim is to keep B2C at the highest level, B2B at the second level and B2G at the last level, just because of receivable amount, and that takes nearly three to four months in case of B2G. That is the reason we are concentrating more on B2C business.

Priyanshu Jain: Sir can you, just give us the bifurcation on the EBITDA margin side, like, what we are getting in B2G, B2B and B2C?

Amar Singh: B2C it is the highest. And then B2G and then B2B.

Priyanshu Jain: Yes sir, like...

Amar Singh: That simply means -- that simply means, in case of B2C we have nearly, if the centre is matured then we get EBITDA 45 plus. And in case of B2G because it is a fixed, then we get a EBITDA, depending on the tender how we won the tender, it is between 30% to 40%. And in case of B2B that that simply means. I'm talking about the franchisee business; it is nearly 35%. That simply means 40%, 35% and 30%, this is the ratio.

Priyanshu Jain: That's nice. Sir just last question is on the -- as we are targeting, like, so much growth and other. So like can we assume like for the next financial year, we will able to grow more than 30% on the top line basis?

Amar Singh: This is much less, what we are we are going to give. It is much less, what you are talking. It is much less. It will be much much higher. But the figure you will get every quarterly. You will get the results every quarterly, and you will see what is happening in our organization, and



there will be a big change.

- Priyanshu Jain:** Great sir, great sir. All the best sir. Thank you. That's all from my side.
- Amar Singh:** Thank you sir.
- Moderator:** Thank you. The next question comes from the line of Taher Hydrabadwala from Grobiz Fund. Please go ahead. Mr. Taher you may proceed with your question.
- Taher Hydrabadwala:** First of all, congrats on the good set of numbers. Sir I have two, three questions. Firstly on sir in the quarter's result, we have seen an exceptional loss of INR2.2 crores. Sorry if I missed it before. If you can explain it what was this loss for?
- Amar Singh:** It is due to new labour code; the gratuity was basically Rajeev you can tell exactly.
- Rajeev Nain:** Yes sir, because of provisioning of employee gratuity cost, as there is a revision in wages as per new labour code, so the provision is higher as compared to normal quarters. So this is one-time provisioning.
- Amar Singh:** It is a one-time invest, one-time expense.
- Rajeev Nain:** One-time provisioning.
- Taher Hydrabadwala:** Okay, okay.
- Rajeev Nain:** So it is across the many companies.
- Taher Hydrabadwala:** Okay, okay sir. Thank you. Second question was on the -- we have planned to open 100 new labs in the next three years. So how many we have opened till now in till end of quarter three, and what are planned for quarter four?
- Amar Singh:** Okay. This is -- up to quarter four, we will we will be present in 13 states. And in the next one month, we are going to start nine more labs in Mumbai, Kolkata, Chandigarh, Ahmedabad, Surat, Vadodara, Guwahati, Kurukshetra and Kota. And in this year also, we have already started six comprehensive centres.
- Comprehensive centre means, giving all type of pathological and radiological services up to MRI. And we have also started, I am telling you the labs, 18 labs we have started in this year. And next year, we are going to start 13 more labs and three more comprehensive centres. And one PET scan at Gorakhpur, and one genome lab at Lucknow also. We have a massive expansion in next two, three years.
- Taher Hydrabadwala:** Okay. And sir our Jaipur comprehensive centre was planned to launch after the H1 FY'26. So it has started or it will take time?
- Amar Singh:** Which centre? We have already started six centres in this financial year. And in in next -- basically next one month, we will start one more at Raipur. So during the year, we will have seven comprehensive centres, this year FY'26.



- Taher Hydrabadwala:** Okay. And last one on the revenue contribution from diagnostic and pharmacy business, and how the pharmacy margins are going, like, we have given target to get it 10% EBITDA margin?
- Amar Singh:** Actually, yes, we are targeting for 10% EBITDA margin, and we are working on it. At the moment we are not having much EBITDA in case of pharmacy, because we are concentrating more in diagnostic business.
- But of course our pharmacy business is going on, and it is running and we are targeting for 10% EBITDA in next one year, definitely that we will achieve. But our 90% focus is on 90% - - rather 95% focus, we are focusing on diagnostic business.
- Taher Hydrabadwala:** Okay. And if you can share the revenue mix for quarter three between diagnostic and pharmacy?
- Amar Singh:** The ratio you are asking?
- Taher Hydrabadwala:** Yes sir.
- Amar Singh:** You are asking about the ratio? It is 60:40.
- Taher Hydrabadwala:** 60:40. And in the diagnostic?
- Amar Singh:** And in next what is our -- we are planning to have 10% to 20% only pharmacy business in next three to five years. Because our aim is to develop more and more diagnostic. And pharmacy business will definitely continue and support the collection point for diagnostic business. That's why we are continuing it and basically these pharmacy units are helping our diagnostic centres by collecting the samples at their unit. And that is also a big advantage for pharmacy, and we are also aiming for better and better EBITDA margin also. And we are working on it and so many things we are doing in this direction.
- Taher Hydrabadwala:** Okay sir. And one last question on the revenue mix between radiology and pathology?
- Amar Singh:** At the moment radiology is -- at the moment 75% is pathology at the moment. But when we will start the Punjab and Guwahati project definitely radiology part will increase, and when our -- these comprehensive and labs will get matured then pathology will increase. Such this --it's not a fixed basically. When we have more and more radiology contracts then radiology part increases. At the moment pathology is 75%.
- Taher Hydrabadwala:** And we are currently receiving some orders from government also. So will this orders impact our working capital?
- Amar Singh:** Sorry sir? What did you say?
- Taher Hydrabadwala:** We have got many, we have got some orders from government side also to establish diagnostic centres in the government hospital on in the Punjab side. So will this affect our working capital days or anything?



- Amar Singh:** We have already arranged the working capital, and we have already ordered the machines also. And we have to start 50% of total MRI and CT within three months and rest of the 50% in next three months. And that is in line.
- Taher Hydrabadwala:** No sir, I am asking, I am asking is when we serve government clients so there will be some delay in payment right. So I was looking for that answer that will get some delayed payments after starting this...?
- Amar Singh:** No sir. We have to collect the payment from the patients. We don't have -- government will not pay for it. All the Punjab projects for eight district hospitals, we have to collect from the patients directly. It's a cash business.
- Taher Hydrabadwala:** Okay sir. And from that how much we have to pay to the government or the hospital?
- Amar Singh:** Sorry?
- Taher Hydrabadwala:** Like when we collect money from the customer, how much from that amount we have to pay to the hospital or government there will be some fixed?
- Amar Singh:** It's a project of nearly INR55 crores a year, for 10 years. It is a INR550 crores project. INR55 crores per year is the collection money.
- Taher Hydrabadwala:** Okay sir. Thank you.
- Moderator:** Thank you. The next question comes from the line of Abhi Jain from A. J. Capital. Please go ahead.
- Abhi Jain:** Good afternoon sir. We meet again. So congratulations on the listing front and congratulations on a good set of top line numbers. Sir two things I wanted to understand. One is that, I see that in the expenses and it's very technical, in the expenses I see that employee cost is increasing at a rapid pace.
- This quarter it's almost 18% of the revenues. So can you just give us a flavour in terms of whether this will be on an ongoing basis the or you see it going back to the 14%-15% levels that we were seeing a quarter and two ago?
- Because 18% is fairly where Dr. Lal and other established chains are, and I saw that you have a cost advantage in terms of employees, mainly because you are located in Tier 2 and Tier 1 cities. So just wanted to understand that?
- Amar Singh:** Sir it is because of organic expansion. And as I told, we have started 18 labs in this financial year, and seven comprehensive centres in this financial year. That is the reason employee cost will definitely increase for -- it will appear to increase for some time, and as soon as we will start getting the business it will come down.
- Abhi Jain:** Okay. So...
- Amar Singh:** It is all because of expansion. We have to it is because of expansion, we have to appoint the



employee beforehand, because we are basically going to different different cities and all over the India. We have to appoint the staff one or two months before the start of business. That is the reason it appears higher for some time and then when we will start getting good business it will come down.

Abhi Jain: Okay. Sir secondly, I heard that you mentioned that in your B2C business which is direct to customer, your EBITDA margins are in the range of 35% to 40%. Is that correct?

Amar Singh: Yes. For B2C business it is the highest. And that is why we are concentrating more in comprehensive centres and labs.

Abhi Jain: Can you help us understand as to why these are so astronomically high as compared to the industry right? I mean the other listed players are at an EBITDA margin which are mainly into B2C are in at EBITDA margins of maximum 27%-28% where you know almost 80%-90% of their business is...?

Amar Singh: No sir, if you no sir, if you go to the Vijaya Diagnostic, they are having B2C business and they have a very good EBITDA margin, nearly 40%. And as far as Dr. Lal, Max and Thyrocare are concerned, they don't have B2C business. They have only franchisee business that is B2B. That is the reason they don't have such type of EBITDA.

If you are having customer directly attending at your unit, the same case what Vijaya is doing, we are also doing the same thing. The only difference, they are doing the only B2C business. We are doing B2C, B2B and B2G, all type of business. That's why it's averaged at a lower level.

If we go for only B2C business, then definitely it will be around 35% to 40% definitely. But the growth will not be in that manner in that case. And we want to grow globally, and that is the reason we have to do B2C, B2B and B2G all type of businesses. That is the reason it may come -- it may be lesser than 35%-40%. Basically if we average out it will remain between 30% to 35%.

Abhi Jain: So sir, as you expand also, and reach more urban centres, these margins at 35%-40% will be sustainable? Because I understand Vijaya is a very regionalistic player right, I mean, it is not a PAN-India player, and hence it can protect its margin.

But since you have laid out your scope of expanding PAN-India, being there in major urban towns. So do you think that this 35%-40% levels that you are seeing across your three lines of businesses that is sustainable?

Amar Singh: If it is B2C business then it is 35% to 40%. But at the same place, we are doing B2B , and franchisee business also and corporate business also. So we expect around 30% to 35% EBITDA everywhere. Because we it is averaged out, just because we are doing all type of business. Vijaya is doing only B2C business.

Abhi Jain: And it is sustainable?



- Amar Singh:** Yes it is sustainable. We are doing, yes, we are doing it for so many years, and it is sustainable. And wherever we have opened the centres, normally we say, we get break even in one to two years, but usually we get break even within one year. Wherever we are going.
- We have gone to Jaipur, we have gone to Bhopal, we have gone to Delhi, and we are seeing, it is not a problem anywhere. Just because when you are -- you become a global player and going to any city, and you have to compete with the local player. Definitely we have advantage over them, and that is the reason -- it is a maintainable EBITDA wherever we go.
- Abhi Jain:** Right. And sir are you seeing any improvement in your working capital days? In this quarter have you seen an improvement going forward? Can we expect it to come down so that the cash conversion is high?
- Amar Singh:** Rajeev you can say about this.
- Rajeev Nain:** Yes sir, it is improving quarter-to-quarter. So we had not so good working capital in March last year, but we are improving it on q3 quarterly basis.
- Abhi Jain:** So, do we see a positive net cash inflow from operating activities this year?
- Rajeev Nain:** Yes, we are positive.
- Abhi Jain:** Okay. Sir final question, I know you had you have alluded to that you will be seeing a higher growth than 30% that you have projected, but just can you just give us more flavour about your FY'27?
- I know FY'26 is because you know you did a QIP so your EPS might not grow as high as your revenue growth because of the larger equity base but FY'27, can you just give us more flavour around, how the PAT and the bottom line can look like?
- Amar Singh:** Sir, it will be a different game in next year just because we have got a very big contract from the Punjab and Guwahati. And that itself is a project of INR55 crores a year. And that will add up at our regular growth. That simply means it will be a game changer for next year. But that impact you will see quarter to quarter.
- As far as numbers are concerned, it is not possible for us to exactly tell you about this, but definitely it will be a great change next year. Because of we have got so many contracts, and because of so many expansion, and whatever we have done expansion in this year, it will start giving fruits next year also. So we will have a very good prospect for the next year.
- Abhi Jain:** Any aspirations to be in the top two, top three diagnostic chains in India in the next two to three years, given how you are growing?
- Amar Singh:** So in next two three years definitely, we can go amongst first four or five but not two to three, just because there are three four big players. But as far as growth is concerned, definitely we can compete anyone. Yes. But as far as volume of business is concerned that maybe, we may be in first five. But as far as growth is concerned definitely, we will supersede. Definitely.



- Abhi Jain:** Perfect sir. Congratulations and all the best sir.
- Amar Singh:** Thank you sir.
- Moderator:** Thank you. The next question comes from the line of Preet Jain from Niveshaay Investment Advisor. Please go ahead.
- Preet Jain:** Basically, I want to understand that in the pathology segment currently molecular diagnostic in India has started growing. Companies like 3B BlackBio and Molbio has currently filed DRHP. So basically can you being a diagnostic player. Can you explain me the trend of molecular diagnostic how it will play in India? Are you currently seeing customers at your centres requesting for molecular diagnostic, genomics testing, basically I want to say?
- Amar Singh:** Yes sir. It has already started coming to our centres. And our group company, we have two hospitals, and there is a great demand from these hospitals also. That's why we are going to have genetic lab in next six months at Lucknow. And we are working all day and night for this lab, and within three to six months it will be started in Lucknow.
- And definitely it has a great future. But we cannot put these such kind of lab all over India. Because you can bring the samples from all over India and do the test at Lucknow. That's why we are making this lab genome lab at Lucknow, and definitely it has a future, but it is a gradual growth. At the moment, there is a great demand everywhere, but it is a sporadic demand.
- That's why we will put the lab at Lucknow first, and we will bring the samples from all over India from our centres, and we will do the test at Lucknow. But definitely there is a big future for such kind of labs because the future belongs to three things only. Cancer, IVF and genetic lab. These three things are the future of healthcare.
- Preet Jain:** So sir, basically these tests are on expensive side. So basically do you prefer open ended machines or closed ended machines from Roche or Abbott? Do you in your new lab will you prefer open PCR or closed PCR machines? What do you what do you prefer? What will you prefer?
- Amar Singh:** We are going for closed. Just because of getting a very good quality, that's why we are not going for open systems. We are going for closed systems. So that quality may be maintained at a higher level, and our doctors are already appointed for these labs, and they are all the time they are working and for giving good and accurate and precise results.
- Because these type of -- these labs are useful for the IVF and cancer patients and would be cancer patients. That's why we have to maintain a highest level of quality. So we are going for closed system. We are not thinking about how...?
- Preet Jain:** Cost difference, what is the cost difference between if we use open PCR and closed PCR in investment terms, and also in terms of revenue per test? I mean what...?
- Amar Singh:** Suppose that sir -- suppose that if we are going for closed system and the test cost is INR25,000, our investment will be INR12,000. And as far as open systems are concerned, we



will not go. Because flatly we have refused to compromise the quality. Because unless until we have a quality, these are very sensitive issues as far as IVF is concerned and cancer is concerned very sensitive issues. We will not take any chance.

- Preet Jain:** Okay. Got it sir. Thank you sir. Thank you for answering my query.
- Amar Singh:** Thank you sir. Thanks.
- Moderator:** Thank you. The next question comes from the line of Deepak Pruthy from Wealth with Wisdom. Please go ahead.
- Deepak Pruthy:** Hello Dr. Amar. Great setup numbers. Congratulations to you and your team. Can you hear me?
- Amar Singh:** Yes sir. Thank you sir.
- Deepak Pruthy:** Dr. Amar just wanted to understand that the business that comes from our reference, the doctor's referral, how is this business model? Does the doctor, the patient pay you? Does the commercial transaction happen with you or does he pay the doctor? And the referral cost of the doctor, do you pay the doctor? How does it work?
- Amar Singh:** I will tell you three things. One is that in franchisee business, our franchisee, we tell him that you just hold 40%. And out of 40%, our marketing team tells them you give this much of money to the doctor and keep this much money with you.
- This is the franchisee model, which is common for all the big players. And as far as referring doctors are concerned, as I told you earlier, investor, because our 40% business is referral and 10% business is self, and 50% business from government sectors, insurance. As far as this 50% business is concerned, we get the whole money, and we don't have to pay anything to anyone.
- And self-business also, we get the money directly. And as far as 40% is concerned, through our marketing team, this becomes a marketing cost. If you go through the whole business, it is more or less 7% to 10% of the total business, which goes through the marketing team. But we don't pay directly cash to the doctors, but definitely referring doctors take the money either in the form of checks or..
- Deepak Pruthy:** So basically, the patient pays the franchisee, the franchisee keeps his part and pays you. And out of that, the doctor's share goes to the marketing team.
- Amar Singh:** That goes to the marketing cost.
- Deepak Pruthy:** No, I understand sir, I understand. Also, regarding your current PPP model with the government, the one that happened with the Punjab government and maybe one in Guwahati. How does the business model work there? Will the patient pay you and you give a fixed amount to the government, or how does it work?
- Amar Singh:** In this, our contract with the government is finalized; they will give us a place with electricity,



and we will maintain that place and install the machines. This is our investment. And we will take the money directly from the patients in cash.

Deepak Pruthy: So basically the government has authorised you. Government has taken the rental for the space?

Amar Singh: They didn't even take rent, sir, they didn't take rent; they just passed our tender at a specific discount and said that now you take money directly from the patient? So, it is not a matter of receivables from the government sector.

Now, the government has changed its stance. Previously, what the government was doing, they were paying the money, but now they are avoiding paying diagnostic providers directly. And that is the reason we will now take the money directly from the patients.

Deepak Pruthy: And what is this INR55 crores? So can you estimate the total amount as INR55 crores?

Amar Singh: Yes. When the government released the tender, its cost was INR55 crores per year, which is INR550 crores over 10 years. On that basis, they took a bank guarantee from us, earnest money from us, and conducted the tendering on that basis. Normally what happens is that there is slightly more business than what the government indicates.

I'll just tell you, we had a contract worth INR5 crores, but it gradually grew to INR40 crores over the next five years. Because as soon as these district hospitals grow, this amount increases. And based on past references, they have told us it is a project of INR55 crores a year and INR550 crores for 10 years. It is a 10-year project. But what exactly is going to happen, that will come out in next few quarters.

Deepak Pruthy: So this INR55 crores is the estimated value, meaning roughly this much will come, that's what we should assume?

Amar Singh: Right?

Deepak Pruthy: But what happens in the contract? Meaning how is it bid, how is it closed in the sense of what - how did you win over others? What are the parameters for?

Amar Singh: Sir, a discount has to be given on the CGHS rate, and whoever gives the best discount gets the tender.

Deepak Pruthy: Understand. Got it sir.

Amar Singh: So in this, sir, tell me one more thing: our strength as a company, Chandan Diagnostic, is basically that in radiology testing and all that, we have an edge over, let's say, Dr. Lal Pathlabs or Vijaya Diagnostics, who generally do blood tests -- I mean, whatever types of testing they do.

They collect the sample through the franchisee, and they do it in the lab. And normally they put the lab at a very distance places at a very economical place and they collect the samples



through franchisee and do the test. That is their modus operandi. But our modus operandi is we make -- we take a big building, three or four floors.

And it has nearly 8000 to 9000 square feet area and we make a full-fledged diagnostic center which basically cater the whole vicinity the whole community. And we become a number one referring center in that vicinity. That is happening for last 20-25 years. This is the modus operandi for Chandan.

Deepak Pruthy: Yes, yes. I visited your Prashant Vihar facility. Amazing, amazing. I mean Dr. Lal Pathlabs. These are two different business models I understand?

Amar Singh: They don't have a referral model they get the sample from the franchisee and doctor – franchisee collect the samples from the doctor or hospital and nursing homes and transfer the sample to Dr. Lal Labs. And they do the test. And it is their modus operandi. And in this modus operandi so many big players are working and competing with each other.

But we are not competing in that level. We are having a competition from the local players only. Those who are giving pathological and radiological services. So our modus operandi is entirely different from these big players. But of course we are also now we have started franchises business also so that why should we lose this business also.

But till date till date we have a 100% business out of franchises. Recently we have started allotting the franchises, and we have already allotted 100 in last two months and we are aiming for 1000 in next three years, definitely that business will also add up in our normal business.

Deepak Pruthy: Understand sir. Sir, how many labs have we done overall?

Amar Singh: Overall, we have done 60 labs, in which comprehensive...

Deepak Pruthy: In the last quarter, how many have we increased?

Amar Singh: Sorry sir?

Deepak Pruthy: In the last quarter, how many have we added, sir?

Amar Singh: I can tell you in this year what we have done. So okay? In this year in this year, we are having 18 labs and seven comprehensive centres giving all type of services, and we will we will have two wellness centre in next one month. And for next year we are planning for 13 labs and one wellness centre, one genome lab, one PET scan and three comprehensive centres. And this year, basically this year we have expanded too much.

Next year, it will be slightly lesser, because we will we have already invested so much in this year, and we will start getting the fruits in next year. So we are slowing down somewhat next year for expansion and then after that we will again put more and more centre. Just to maintain our profitability and EBITDA, we are maintaining such type of thing. And moreover we are having a very big project this year for government also and that is the reason we are balancing the things.



Deepak Pruthy: Okay, sir. Sir, one last question. Your business is through corporate. What type of business model is this? How does it work? Let's say I run a company....

Amar Singh: Sir, this is the best model. Because in this, for example, when we started business here in Lucknow, we got affiliated with about 200 people. Now, whichever city we go to, we directly connect with those 200 people, and they start giving us patients. Because now, for example, if we are affiliated with the State Bank of India in Lucknow, wherever we go, we will be affiliated with the State Bank of India there.

If we have CGHS here, we will have CGHS there. CAPF will happen -- meaning all our connections with the government, public sector, and private sector, we get affiliated with all of them, and this is a very solid business. And in the insurance sector, mostly 50% is the insurance sector itself, so all those insurances connect with us immediately in whichever city we go to.

So this onboarding process gives us a real boost to the business. So we are very much for corporate business. That's is the reason we are having nearly 50% of the total business from corporates because it is a firm business. And very good business because they give the payment within a month. Usually one month to 45 days they take. Only CGHS takes more than three months otherwise all the all the sectors pay very fast.

Deepak Pruthy: Congratulations. Thanks sir. All the best for the upcoming...

Amar Singh: Thank you sir.

Moderator: Thank you. The next question comes from the line of Mohan Agarwal, an Individual Investor. Please go ahead. Mr. Agarwal you may proceed with your question.

Mohan Agarwal: Yes, sir, greetings.

Amar Singh: Greetings.

Mohan Agarwal: Sir, I am speaking from Lucknow.

Amar Singh: Very good.

Mohan Agarwal: Yes, sir. Sir, actually, last year, I visited your diagnostic center in Ashiyana for the first time.

Amar Singh: Right, right.

Mohan Agarwal: Until then, I didn't know your company was listed. So most of the questions have been answered, so I just wanted to tell you one thing. Last year, I wanted to get a PSC done. So I researched all the services available in Lucknow to see who could provide the best service and who would have the best rates. Because, sir, I also have a middle-class mindset, so I was also considering the budget accordingly.

At that time, I found that you had a very great scheme running, where by adding family members -- maybe it was a 25% discount on the first family member, and then a 50% discount



on adding the second or third member.

Amar Singh: Yes, yes sir.

Mohan Agarwal: So initially, I only wanted to get it done for my father, but when I saw this scheme, I liked it, so I said I would get it done for myself too.

Amar Singh: Yes, yes.

Mohan Agarwal: So I got mine done as well, and that was the first time I availed of the services at the Ashiyana branch, and the services were very good, whatever they were.

Amar Singh: How did you find the center, sir?

Mohan Agarwal: Sir, I'm telling you, I decided right then, that if I ever need such a service in the future, I will come here.

Amar Singh: Thank you, sir, thank you, sir.

Mohan Agarwal: Because, for me, even if someone charges INR2 or INR3 more, I needed trust.

Amar Singh: Yes, yes.

Mohan Agarwal: Sir, I wanted accurate reports, and many people had told me to get them done here, saying the reports are good. So that was the thing. What happened, sir, is that, I intended to get it done every 6 months, so in February, I raised a query again and called the call center saying, I wanted to get a PSC done. I asked what the rates would be. I thought, I would bring two or three other relatives along with me.

When I found out the rates, they were a bit higher than the previous ones, so I said, okay, fine. Then I asked if the scheme you had earlier was still valid. They told me that the scheme is no longer valid. So I just wanted to know from you if you have discontinued that scheme or why it was discontinued. Because I liked that scheme very much; your strategy for pulling in new customers was very good.

Amar Singh: Don't worry, sir, now that you've brought it up, you will get that scheme again starting tomorrow. I will tell my team to -- because basically, it's not even about the money in the scheme; the point is that more and more people can go for health checkups, and it will be a very good thing for society and the country too. Just know that you will find this scheme implemented starting tomorrow morning.

Mohan Agarwal: Sir, from an investor's point of view, I would think that margins should increase?

Amar Singh: It doesn't matter, sir, it makes no difference to the investment.

Mohan Agarwal: I'll tell you sir, sorry for interrupting. I'll tell you, when I told my colleagues about the scheme, they were shocked at that time. Yes. Because Chandan is a reputed brand in Lucknow. They felt that if I got such a good rate at Chandan, I should let them know next time. So when I tell



them now, I was thinking about telling them. I just wanted to tell you that it was a very good scheme to pull in new customers, and sir, the second thing was that one thing bothered me...?

- Moderator:** Sorry to interrupt Mr. Agarwal. We request you to join the queue for the follow-up questions.
- Mohan Agarwal:** Sir, one last thing, if I may speak?
- Amar Singh:** Yes, yes.
- Mohan Agarwal:** Sir, there was one small thing: you have a policy where within five kilometers, there is no charge when they come to collect the sample, but a charge is taken after that. If possible, sir, please remove this because it creates a hurdle in the customer's mind, thinking, 'Okay, I have to pay first for this. I just wanted to mention this in comparison to other brands?'
- Amar Singh:** Okay, I will discuss. I will discuss it and see the probability. Yes. I will discuss.
- Moderator:** Thank you. The next question comes from the line of Khushi Jain from Negen Capital. Please go ahead.
- Khushi Jain:** Hello sir. Congratulations on a very good set of numbers. My question is regarding the thing that, you've mentioned that the EBITDA margins will get back to on an aggregate basis will be around 30% to 32% right?
- Amar Singh:** Yes, yes.
- Khushi Jain:** By when do we expect that to be done like in next year FY'27 or when do we expect the EBITDA margins to get back to 30%-32%?
- Amar Singh:** With every with every quarter you will see the change. From this quarter four to next, every quarter you will see the change.
- Khushi Jain:** Okay so by the end of...
- Amar Singh:** Of course upward change, upward change you will see.
- Khushi Jain:** Okay. So by quarter four FY'27 can we expect the overall EBITDA margins to be around 30%-32%?
- Amar Singh:** Actually ma'am, as far as diagnostic is concerned, we are already having a EBITDA margin of more than 30%. But it is just because of consolidated results, because we are adding up pharmacy business also, it seems to be less 19% or 20%, but at the moment our EBITDA margin is more than 30%, and we are trying to make it more than 35% in future -- next year.
- Khushi Jain:** Okay. Got it. Thank you so much.
- Amar Singh:** Thank you ma'am.
- Moderator:** The next question comes from the line of Shraman Siyam, an Individual Investor. Please go



ahead.

- Shraman Siyam:** Sir congratulations on very good set of numbers. Here, I only one doubt sir. In government order there will be no -- it will be treated as B2C only no, correct? From a working capital point of view?
- Amar Singh:** Yes. We will get the payment directly from the patient.
- Shraman Siyam:** Okay.
- Amar Singh:** And it is a cash business.
- Shraman Siyam:** Cash business, so there will be no strain on working capital.
- Amar Singh:** No no. Nothing.
- Shraman Siyam:** Okay sir. Any more equity dilution you are seeing sir, going forward for capex?
- Amar Singh:** Already we have gone for preferential shares, and this is enough for the next year expansion, and I don't think, there will be any dilution in next two three years.
- Shraman Siyam:** Done sir. Anything else, any light on Q4, sir? Can you say something about Q4?
- Amar Singh:** You will see a change, but wait for the numbers.
- Shraman Siyam:** Done sir. Okay. All the best sir. Thank you so much.
- Amar Singh:** Thank you sir.
- Moderator:** Thank you. The next question comes from the line of Prabhat Kumar, an Individual Investor. Please go ahead.
- Prabhat Kumar:** Hello sir. Thank you for the opportunity. The question I have is, what are the challenges or risks you are facing in your expansion plans? The things are looking quite good at the moment. But while you are doing the expansion of things, which you are planning for next two three years, are you seeing any challenges or are you seeing any risks at the moment?
- Amar Singh:** Sorry sir, I could not understand what...?
- Prabhat Kumar:** So sorry I will repeat once more. So are you facing any challenge or are you seeing any risks, the plan which you have at the moment in in doing on a daily basis?
- Amar Singh:** No sir. I have a full team of 40 persons and they are on it, and we are working day night, and we have got the money from preferential shares also. So as far as finance is concerned, as far as working people are concerned, we are on it, and we don't see any challenge in starting all these centres. That's why if you go through, we have -- in this year, we will have 18 labs more and three seven comprehensive centres more.

And definitely, we can expand as per our plan, and we have a good team of 40 people, and



these 40 -- out of these 40 people, 30 people are having nearly 30%-40% shares of the company. They are working owners actually. That's why, we don't see any challenge as far as putting all these expansions in line.

And we have got preferential shares also for INR104 crores, and we have already received INR26 crores, 25% in this month, and it -- the warrants were fully subscribed, and we are expecting, in next one year, we will get rest of the money and expansion will go smoothly.

Prabhat Kumar: Right, okay. Thank you. One more question sorry. That while you are trying to expand in the bigger cities, are you also thinking about going to like Tier 3 or Tier 4 cities? Like there you will find mostly the local labs, not the like the listed or the big players, where the local labs are present quite a lot. So are you are you thinking something about going down?

Amar Singh: Sir your voice is not very clear. Please kindly repeat the question.

Prabhat Kumar: Okay sorry my bad. So my question is, are you also thinking going Tier 3 or Tier 4 cities, where you will find the local labs quite a lot?

Amar Singh: Yes, yes. We are already in Tier 2 and Tier 3 cities. We our preference is always for Tier 2 and Tier 3 cities. But because we are going global, and that's why we are covering the metropolitan cities also. But our main focus is always on Tier 2, 3 and 4 cities.

Because these cities are totally deprived of big organizations -- organized, they don't have organized business. That's the reason we cover Tier 2, 3 and 4 cities, but definitely -- our 90% business comes from Tier 2 and 3 cities, because they are totally deprived of good facility.

Prabhat Kumar: Alright. Thank you for answering my question. All the best.

Amar Singh: Thank you sir.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to Mr. Parth Acharya from Kirin Advisors Private Limited for closing comments. Thank you, and over to you, sir.

Parth Acharya: Thank you everyone for joining the conference call of Chandan Healthcare Limited. If you have any further queries, you can write us at research@kirinadvisors.com. Once again, thank you everyone for joining the conference.

Amar Singh: Thank you sir.

Moderator: On behalf of Kirin Advisors Private Limited that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.