



Krsnaa Diagnostics Ltd.

IPO DETAILS



Issue Opens

4th Aug 21, Wed

Issue Closes

6th Aug 21, Fri

Min. Lot Size

15 Shares

Issue Price Band

₹933 - ₹954

Issue size

Fresh Issue:
4.19 Mn Equity Shares
(₹4,000 Mn)

OFS:
8.53 Mn Equity Shares
(₹8,133.35 Mn)

Face Value
₹5

Listing at
NSE, BSE

Objectives of the Issue

Finance the cost of establishing diagnostics centres at Punjab, Karnataka, Himachal Pradesh, and Maharashtra.

Repayment/pre-payment of firm's borrowings fully or partially.

General corporate purposes.

Rating

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Krsnaa Diagnostics Ltd.

Company Overview

Krsnaa Diagnostics Ltd. is one of the fastest-growing diagnostic chains in India. The company offers a wide range of diagnostic services such as imaging/radiology services (X-rays, CT scans etc.), routine clinical laboratory tests, pathology, and tele-radiology services to private and public hospitals, medical colleges, and community health centres.

Team of Specialists

As of June 30, 2021

2,800

Qualified Professionals

190

Radiologists

30

Pathologists

8

Microbiologists

1,823

Diagnostic Centres

1,797 with public health agencies &
26 with private health agencies

13

States of India

Offering radiology and
pathology services

5.18 Mn

Patients

Have been served in
fiscal 2021



Operating Model

The operating model of the company involves diagnostic centres operated under a hospital partnership model.



Key Focus

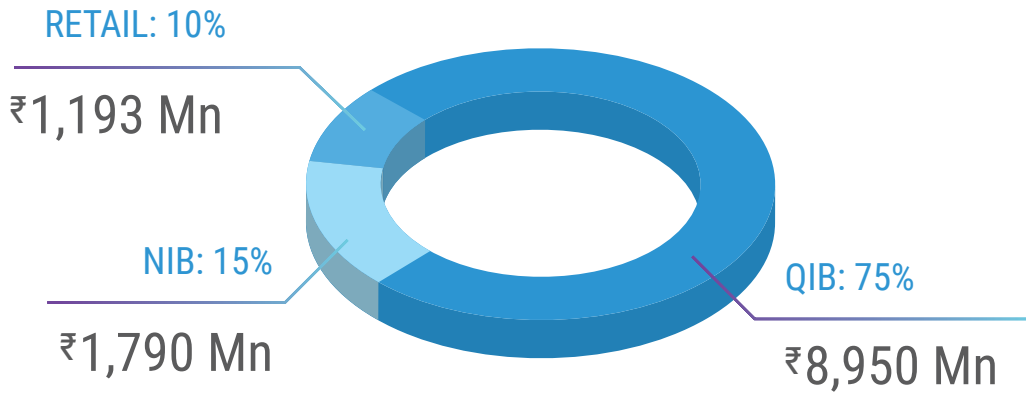
The company has an extensive network of diagnostic centres across India with a key focus on non-metro, and lower tier cities and towns.



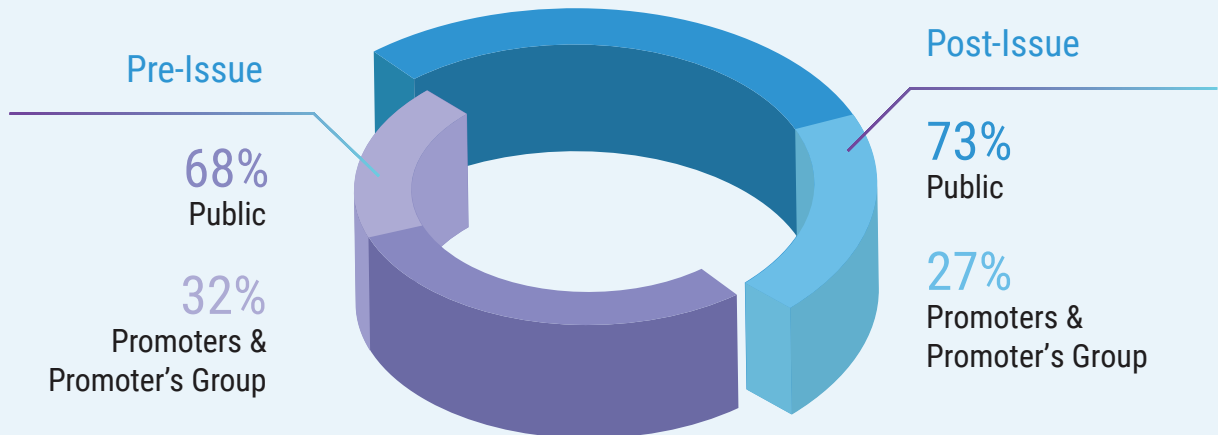
Krsnaa Diagnostics Ltd.

Issue Details

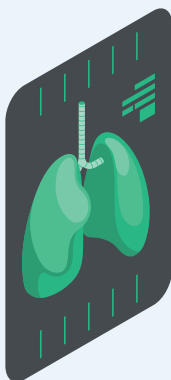
Issue Break-Up



Shareholding Pattern

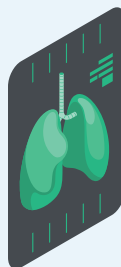


Capital Structure (in ₹)



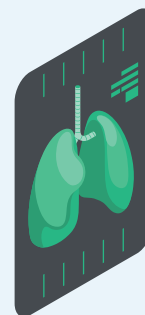
212 Mn

Authorized Equity Share Capital



136 Mn

Paid-Up Capital (Pre-Offer)



157 Mn

Paid-Up Capital (Post-Offer)



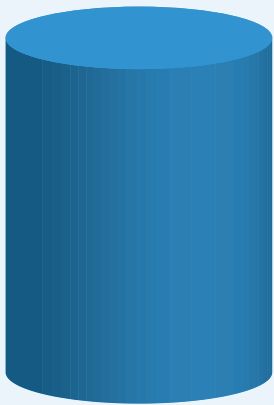
Krsnaa Diagnostics Ltd.

Valuations and Peer Comparison

Market Cap
₹29,941 Mn

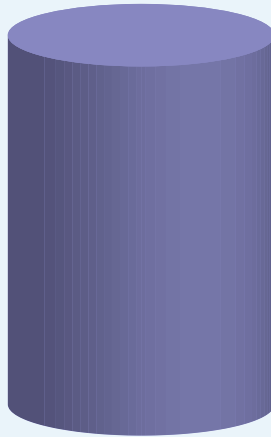
Adjusted EPS
12.25
post issue basis

P/E Ratio



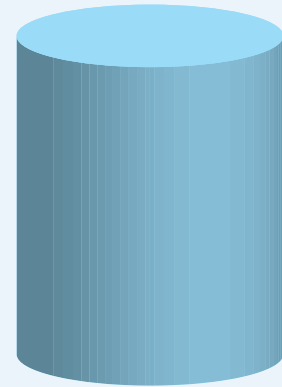
77.88

Krsnaa Diagnostics Ltd.



79.71

Metropolis Healthcare Ltd.

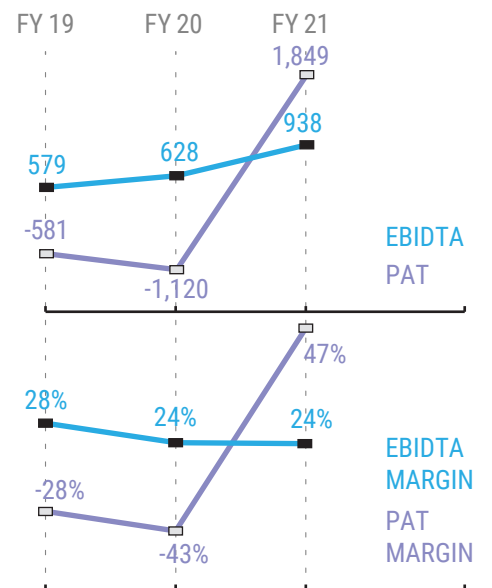
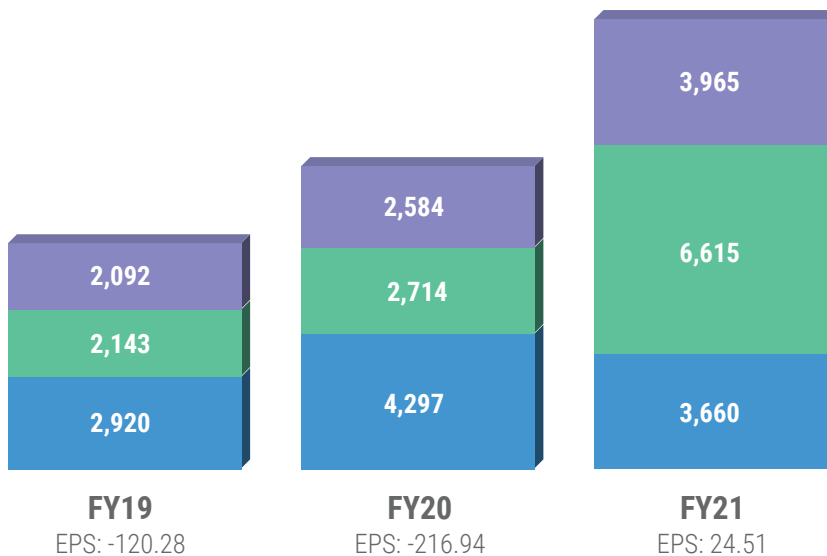


75.15

Dr Lal Path Labs Ltd.

Financial Snapshot (in Mn ₹)

- Revenue
- Total Income
- Total Expenses





Krsnaa Diagnostics Ltd.

Business Insights



Competitive Strengths

- Unique and scaled diagnostics company.
- Strong brand equity.
- Extensive footprint across India with robust infrastructure.
- Business model with robust revenue visibility.
- Well positioned to capitalize on healthcare spending across public and private sectors.
- Scalable and agile business model with efficient cost structure.
- Consistent track record of financial performance.
- Ability to maintain cost competitiveness through operating leverage.



Business Strategy

- Continue to expand presence across India.
- Expand the offering of diagnostic services with a focus on specialized diagnostics.
- Grow the digital footprint.
- Maintain high social impact.
- Continue to improve profitability and efficiency.
- Expand business and geographical footprint through opportunistic acquisitions.



Risks

- A substantial portion of Krsnaa Diagnostics' revenue from operations depend on payments under contracts with public health agencies. If the company is unable to negotiate and retain similar fee arrangements, if the contracts are cancelled, or if they are unable to realize payments due to them, their business may be materially and adversely affected.
- Most of the company's diagnostic centres have been established and are operated under PPP contracts awarded by government agencies through a competitive bidding process. There can be no assurance that they will qualify for, or that they will successfully compete and win such tenders.

Promoters and Management Details

Rajendra Mutha - Executive Chairman and Whole Time Director

Pallavi Bhatevara - Managing Director

Yash Mutha - Whole Time Director

Research Disclaimer <https://bit.ly/2RK2tzc>