



IPO Note

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# GUJARAT KIDNEY AND SUPER SPECIALITY LIMITED



Dec 22<sup>nd</sup>, 2025**Details of the Issue**

Price Band	₹ 108 - ₹ 114
Issue Size	₹ 250 Cr
Face Value	₹ 2
Bid Lot	128
Listing on	BSE, NSE
Post Issue Mcap	₹ 898.81 Cr
Investment Range	₹ 13,824 - ₹ 14,592

**Important Indicative Dates (2025)**

Opening	22 - Dec
Closing	24 - Dec
Basis of Allotment	26 - Dec
Refund Initiation	29 - Dec
Credit to Demat	29 - Dec
Listing Date	30 - Dec

**Lead Manager**

Nirbhay Capital Services Pvt Ltd

**Offer Details**

Offer Size	₹ 250.80 Cr
Fresh Issue	₹ 250.80 Cr
OFS	-

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	188	16.50	17.42	75
NII	38	3.30	3.48	15
Retail	25	2.20	2.32	10
Em-ploy.	-	-	-	-
Total	251	22.00	23.22	100

**Invest Now****Company Profile**

Gujarat Kidney & Super Speciality Hospital Ltd is a regional healthcare provider based in central Gujarat, operating a chain of mid-sized, multispecialty hospitals delivering integrated healthcare services. The company primarily focuses on secondary and tertiary care, with services classified into secondary care (core surgical services) and tertiary care (super-specialty surgical services). As of March 20, 2025, on a consolidated basis, the company operates six multispecialty hospitals along with three in-hospital pharmacies. Its hospitals offer end-to-end patient care supported by in-house diagnostic services and dedicated pharmacies, ensuring clinical integration and operational efficiency. The company has strategically targeted the relatively underpenetrated healthcare markets in Gujarat, with an established presence across four cities, positioning it to benefit from rising demand for quality secondary and tertiary healthcare services in the region.

**GEPL's Insights & Investment Thesis:**

- Gujarat Kidney & Super Speciality Hospital Ltd is a regional healthcare service provider based in Gujarat, focusing on core surgical and super-specialty services. The company operates its hospitals on leased premises, allowing it to scale operations with minimal capital expenditure requirements.
- The company remains exposed to geographic concentration risk, with operations limited to four cities within a single state. Its relatively smaller scale further amplifies vulnerability, as any execution delays or integration challenges could have a disproportionate impact on earnings.
- The issued is priced at PE of 61x on post issue capital. We believe that the company is overly priced as compared to its peers and faces execution risks. Therefore, we recommend a **"Avoid"** rating for the Issue.

**Business Highlights & Services**

GKSL is well positioned to drive sustainable business growth by leveraging its strong reputation and deep clinical expertise in renal sciences and tertiary care, supported by a diversified multispecialty model spanning urology sub-specialties, advanced laparoscopic and minimally invasive surgeries, and interventional cardiology. Its asset-light expansion strategy acquiring operational control of existing hospitals rather than investing heavily in land and infrastructure enables faster scaling, superior return ratios, and efficient capital deployment, as reflected in consistent EBITDA-positive operations and rising profitability.

A focused presence in central Gujarat provides strong regional understanding, brand recall, referral networks, and access to an underserved yet growing patient base, while strategically located hospitals ensure accessibility and steady patient inflow. Backed by experienced promoters, skilled medical professionals, robust in-house infrastructure, and a proven ability to replicate its operating model, the company demonstrates strong business resilience, scalability, and long-term value creation potential.



The company's strong business foundation is driven by its ability to attract and retain high-quality medical talent, supported by experienced leadership, a multidisciplinary tertiary care model, and a strong regional brand presence. Exceptionally low attrition rates across doctors and nurses highlight workforce stability, ensuring consistent quality of care and operational continuity. Investments in medical technology, structured doctor engagement models aligned with revenue growth, and continuous medical education programs foster long-term relationships, skill enhancement, and patient retention. Strategically located hospitals with local staffing further improve accessibility, efficiency, and trust, collectively strengthening business scalability, patient volumes, and long-term growth visibility.

The company's business development strategy is underpinned by a disciplined and selective inorganic growth approach, focused on acquisitions and strategic alliances that are strategically aligned, value accretive, and complementary to its existing healthcare offerings. By targeting micro-markets in central Gujarat, the company has successfully expanded its geographic footprint, strengthened infrastructure access, and enhanced clinical and operational capabilities through a series of well-executed acquisitions and controlling stake investments. This approach has enabled faster scale-up, synergy realization, and improved visibility without materially increasing execution risk. Leveraging proven integration capabilities and regional operating experience, the company is well positioned to continue identifying and integrating new opportunities, including operations and maintenance arrangements, thereby expanding its patient base, service portfolio, and long-term growth potential while reinforcing overall business strength.

The company's growth strategy is strongly anchored in maximizing operating efficiency and profitability through disciplined integration of acquisitions and optimization of organic operations across its hospital network. A key focus on creating an integrated healthcare platform enables cost efficiencies through standardized medical consumables, centralized procurement, supplier consolidation, and uniform clinical protocols, thereby leveraging economies of scale and reducing input costs. Continuous investment in advanced medical technology and high-growth tertiary care areas enhances clinical capability, attracts skilled physicians, improves case mix, and increases revenue per occupied bed. In addition, potential tie-ups with nearby nursing homes extend the company's reach and asset utilization without significant capital outlay. Centralized purchasing and streamlined administrative processes further reduce redundancies, allowing the company to offer competitive pricing while protecting margins, reinforcing its operational strength and scalability.

The company's business strength is underpinned by a people-led growth strategy and a structured approach to building and scaling specialized clinical capabilities across its hospital network. A strong focus on recruiting reputed doctors, nurses, and allied professionals enhances brand credibility and supports expansion, while structured training, academic initiatives, and investments in research ensure continuous skill upgradation and adoption of advanced medical practices. Tie-ups with medical and nursing colleges provide a steady talent pipeline, reducing staffing risks and supporting rapid scaling. Simultaneously, the company is strengthening existing and newly acquired hospitals by balancing specialty mix and expanding high-demand super-specialties such as urology, nephrology, interventional cardiology, oncology, and organ transplant services, supported by centralized clinical leadership and experienced department heads. Ongoing investments in advanced medical technology and equipment further enhance service depth, case complexity, and quality of care, positioning the company for sustainable revenue growth, improved profitability, and long-term scalability.

## Region wise revenue breakup

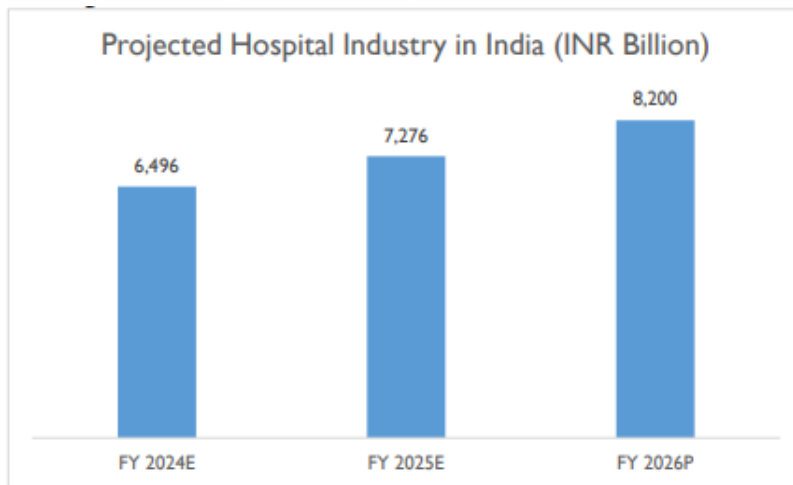
Particular	June'25		FY25		FY24		FY23	
	Amount (In Cr)	%	Amount (In Cr)	%	Amount (In Cr)	%	Amount (In Cr)	%
Central Gujarat	13	40%	44	37.09%	34	32.63%	28	33.20%
North Gujarat	6	18%	26	21.39%	26	25.48%	24	28.07%
South Gujarat	13	41%	50	41.52%	43	41.89%	33	38.72%
<b>Total Revenue</b>	<b>31</b>	<b>100%</b>	<b>120</b>	<b>100%</b>	<b>103</b>	<b>100%</b>	<b>86</b>	<b>100%</b>



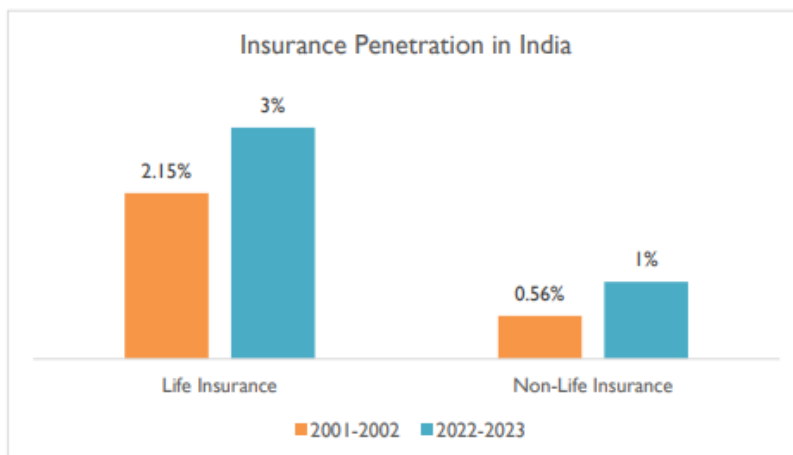
KPIs of Hospital

Particular	June'25	FY25	FY24	FY23
Total Bed Capacity	539	539	539	439
Approved Beds	494	494	494	369
Operational Beds	389	389	389	339
ICU Beds	80	80	80	70
IPD Volume (Number of patients)	3,240	13,281	12,733	11238
IPD Revenue (Rs. in Cr)	22	82	72	63
OPD Volume (Number of patients)	20,918	95,876	91,264	76869
OPD Revenue (Rs. in Cr)	4	16	14	10
Revenue from Operations (Rs. in Cr)	31	120	103	86
Bed Days Occupied	19,440	79,686	76398	67428
Average Bed Occupancy Rate	54.77%	56.12%	53.81%	54.49%
Average Revenue per Occupied Bed	11,243	10,255	9,417	9,305
ALOS	6	6	6	6

Industry Outlook



Source – D&B Research Estimates



Source: IRDAI



Peers Comparisons

Name of the company	Face Value (₹)	Total Revenue (In Cr)	EPS	P/E (x)	NAV (In INR)	RoNW(%)
Gujarat Kidney & Super Speciality Ltd	2	40.24	1.85	NA	5.04	36.61
<b>Peers Group</b>						
Yatharth Hospital & Trauma Care Services Ltd	10	881	14.72	55.84	167	55.84
GPT Healthcare Ltd	10	407	6.08	24.51	30.21	24.51
KMC Specialty Hospital Ltd	1	232	1.31	52.60	10.08	52.60

Company's Competitive Strength

- Pre-eminence in renal sciences, with established sub-superspecialities in urology.
- Asset light business model with focus in central region of Gujarat.
- Ability to attract, retain skilled and experienced quality medical professionals.
- Track record of operating and financial performance and growth.
- Track record of financial performance and consistent growth.
- Experienced and qualified Professional management.
- Accreditation of the hospital facilities

Key Strategies Implemented by Company

- Pursue strategic inorganic growth opportunities.
- Implementation of initiatives to improve existing operational efficiencies.
- Continue to recruit and retain skilled healthcare professionals.
- Strengthen the existing hospitals and their offerings and add new capabilities and specialties.

Particular (INR in Cr)	1HFY26	FY25	FY24
Equity Capital	28	28	6
Reserves and Surplus	293	270	225
Net Worth	321	299	231
Revenue	15	40	5
Growth (%)		743%	
EBITDA	9	17	2
EBITDAM (%)	57%	42%	41%
PAT	5	10	2
PATM (%)	35.4%	24.4%	35.8%
ROE (%)	15.9%	36.6%	15.9%
ROCE (%)	18.9%	37.7%	9.8%



## Notes

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