CHANDAN HEALTHCARE LIMITED

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Date: November 20, 2026

To,
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, Bandra-Kurla Complex,
Bandra (E), Mumbai – 400051.

Sub: Submission of Transcript of Earnings Conference Call for Q2 and H1 FY27

Trading Symbol: CHANDAN
ISIN: INE0B2N01016

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with applicable provisions thereof, we wish to inform you that the transcript of the Earnings Conference Call of the Company held on Wednesday, November 18, 2026, to discuss the financial and operational performance of the Company for the quarter and half year ended September 30, 2026 (Q2 and H1 FY27), is enclosed herewith.

The transcript is also being made available on the Company's website at https://chandandiagnostic.com/.

You are requested to take the above information on record.

Yours sincerely,
For Chandan Healthcare Limited

RAJEEV KUMAR NAIN
Digitally signed by RAJEEV KUMAR NAIN
Date: 2026.11.20 13:19:01 +05'30'

Rajeev Kumar Nain
Company Secretary & Compliance Officer

"Chandan Healthcare Limited

Q2 and H1 FY27 Earnings Conference Call"

November 18, 2026

MANAGEMENT: **DR. 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 the Q2 and H1 FY27 Earnings Conference Call of Chandan Healthcare Limited 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 the conference call, please signal an operator by pressing star then 0 on your touchtone phone. 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 afternoon, 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. Over to you, sir.

Amar Singh: Thank you, sir, and good morning to everyone. I'm Dr. Amar Singh, chairman of the company and managing director, and on behalf of Chandan Healthcare Limited, I welcome all of you to our Q2 and H1 FY27 earnings conference call. Thank you for joining us today. And before I discuss the quarter, I will give you a brief introduction of Chandan Healthcare. It was established in 2003, and we are one of India's leading diagnostic service providers since then and a key entity of the Chandan Group.

We offer a comprehensive range of pathology and radiology services through our own and franchise centers across multiple geographies. Following the divestment of our pharmacy business, we are now a very much focused diagnostic company, and the quarter saw healthy growth in revenue and operating profit, rapid expansion of our network, and steady progress on our strategic initiatives.

Since Chandan Pharmacy Limited is no longer our subsidiary, the results are presented on a standalone basis, and last year's figures are also standalone. So the comparison will be like for like, and Mr. Rajeev Nain, our CFO, will take you through the financials. And let me start with the franchise business, and it is very attractive.

And recently we started 6 months back, and where we are very happy with the response, the network has grown rapidly. We added 410 franchise centers during this quarter. And taking the total to 685 on 30th September 2026. And today we have touched more than 930 franchisees, and this quarter will be definitely better than the last quarter as far as enrollment of franchisees are concerned. And these centers are the collection points that need no capital from us.

The franchise partner bears all the local cost and the transfer of samples, and all the samples are routed to our nearest laboratory. This may be standalone laboratory or maybe comprehensive diagnostic center, and which adds volume to our existing infrastructure. At the moment, about 80% of the network is in Uttar Pradesh, and the next phase, it is -- it will be replicated in newer geographies because we have already entered in 15 states.

And we are working towards 1,500 franchisee centers by the end of FY27 and expecting more than 4,000 centers by the end of FY28. I'm talking about the franchisee centers at the moment.

We are equally happy with the response to our digital initiatives, online bookings, home sample collection, preventive Healthcare and the Chandan 24x7 application.

Already we have more than 3,00,050 members, already in our app, and they are, they are being used by more patients every month, and we intend to keep expanding them. We are adding at least 5,000 to 10,000 apps every month, and our own network has also grown. As on 30th September, we are already operating 25 comprehensive diagnostic centers which provide pathology, radiology, and so many other services like BMD, PFT, fibroscan, like that, and all under one roof. And we have 19 diagnostic centers which are giving pathology, X-ray, and ECG services.

We also have 25 standalone laboratories and they are dealing with the pathology services only. And we do have 16 radiology centers giving only radiology service, either CT or MRI. We also have 2 central laboratories at the moment, one at Lucknow and one at Haldwani, which support the network, and one more in process at Delhi center.

We, we are expecting within 6 months we will open one central reference lab at Delhi also, because Delhi will be connected all over India. That's why we are putting one central reference laboratory at Delhi also. One at UP, one at Uttarakhand, and now one will be at Delhi so that we can cover the whole India.

And at the moment, we are present in 15 states and planning to enter in 3 more states in next 3 months. On 25th September, we have already acquired 2 units of Ansh Diagnostic and Healthcare in Ghaziabad at Indrapuram and Ahinsa Khand. Ansh is an established provider of pathology and radiology in that area, and which includes CT and MRI and all pathological services.

And this acquisition reflects our approach of entering new markets through established units, because basically making a center and taking it towards profitability takes more time when we establish our center. That's why we are putting organic and inorganic both type of growths in our business.

And alongside our own center openings, it also adds to our presence in Delhi-NCR region. And, we are already having 2 centers in Delhi and 1 center at Gurgaon is going to start in next 2 months. So we are concentrating, Delhi and around cities now so that it is a central point of India and we are covering the whole NCR.

The divestment of our entire 53.56% shareholding in Chandan Pharmacy Limited for approximately INR16.77 crores. And it was completed on 1st September this year. Pharmacy, as you people know, pharmacy is a lower margin trading business, and whereas diagnostic offers higher margins and longer growth runway. And this proceed will fund now diagnostic centers. And the quarter's result include a one-time gain from this sale, which Rajeev will explain.

Basically, on the sale of this pharmacy division, the profit— about the profitability, Rajeev will explain in details. As far as our partnership, our rollout across Jeena Sikho hospitals and clinics, it is continuing. And because we have a 5-year exclusive arrangement with them, and now the monthly revenue has gone above INR1.5 crores.

And definitely with them we are adding more and more cities in future also. And on the government side, under our 10-year PPP contracts in Punjab 11 of the radiology -- 12 radiology centers, we have already been handed over to us and machine installation is underway. In Guwahati, civil work and PMDT approval and machine installation is going to be completed very soon.

And in Haryana, the handover of at Rohtak is -- we are still waiting for that. And we expect all these projects to start contributing progressively with the impact visible from Q4. And next year we will have a full impact of all these 12 radiology centers. And looking ahead, we have a very, aggressive plan of 11 comprehensive diagnostic centers which are nearing completion.

All 11 comprehensive diagnostic centers will be open in next 3 to 4 months. That simply means in this financial year we are going to add 11 more comprehensive diagnostic centers. And 6 diagnostic centers also for laboratory services and X-ray services. And all these will be commissioned progressively over the coming months.

And our prestigious genome laboratory at Jankipuram, Lucknow, and PET scan centers at Kanpur, Halwani, Jodhpur, Bhopal, Raipur, and Gorakhpur. You can see in 4, 5 states, we are going for PET scan installations, and these are planned, and we will update you as, as soon as they will start.

At Gorakhpur, we are going to start in next 2 months. This will be our first PET scan at Gorakhpur in UP, and then we will have Halwani, Jodhpur, Bhopal, and Raipur in other 4 states. As far as our growth is concerned, it will rest on 3 pillars. One District One Lab, with a laboratory in every district of whole India.

At the moment, we have taken UP and Uttarakhand first. Uttarakhand we have already covered in 13 districts. We have labs in all the districts. In case of Uttar Pradesh, we are expecting to complete the whole Uttar Pradesh in next 2 years. That simply means in Uttar Pradesh and Uttarakhand, we will have One Lab, One District; One district, One lab.

And then we will cover one by one to other states also, because we are taking Uttar Pradesh and Uttarakhand first, because our presence in Uttar Pradesh and Uttarakhand was already very high. And now we will cover one by one the whole India. And we will stay disciplined in capital allocations because we will get some part of the warrant money also in future.

And because we are not going for government contract renewal, and we will get a handsome money from our NHM project also. And all these money will be utilized in a very disciplined manner to get more and more diagnostic business. And with that, I would like to conclude my remarks.

I thank our employees, our doctors, our technicians, partners, and the entire Chandan Healthcare team for their commitment, and our shareholders and all participants on this call for their trust and support. Now I will hand over to Mr. Rajeev Nain. He is our Chief Financial Officer to take you through the financial results for the quarter and a half year ended 30th September '26. Thank you very much, all of you.

Rajeev Nain: Thank you, sir. Good afternoon everyone. So before we move to questions, let me quickly take you through the financial results for the quarter and half year ended 30th September 2026. As we know, and as Dr. Singh just mentioned, Chandan Pharmacy Limited ceases to be our subsidiary during this quarter. So the numbers I will discuss are therefore standalone, excluding pharmacy.

So starting with the Q2 revenue from operations was INR57.94 crores, which is up 45.04% on Y-o-Y basis. And total income was INR59.36 crores, up 44.78%. EBITDA during this quarter was INR22.12 crores, up 54.79%, and EBITDA margin improved by 241 basis points to 37.26%. EBITDA percentage was 37.26%.

As compared to previous quarter ended 30th June 26, the previous quarter, total income grew 19.3% and EBITDA grew 21.57%, with margin up 69 basis points. And profit after tax was INR18.61 crores with a margin of 31.35%. So as we know, profit also includes gain on sale of Chandan Pharmacy Limited shares, which was INR10.23 crores net of tax.

Excluding this one-time gain, profit after tax would be about INR8.3 crores for this quarter, up around 46% from INR5.74 crores of last year, at a margin of about 14.1% against 14% of last year. And for the half year, revenue from operations was INR106.61 crores which is up 41.16%, and total income was INR109.12 crores with increase of 40.56%.

EBITDA for H1 was INR40.31 crores, up 66.52%, with margin up around 576 basis points. Profit after tax was INR25.37 crores for this H1, which is up 256.72% at a margin of 23.25%. And if I exclude the one-time gain on sale of shares, the profit would be about -- net profit would be about INR15.14 crores for this H1, which is up 113%. Last year it was INR7.11 crores.

And if I, talk about the segment mix for Q2 this year, the B2B has contributed 36.7% of revenue. Which is 106.5% increase. B2C contributed 34.5% of total revenue, which is 23.8% up as compared to last year. And likewise, B2G contributed 28.8% of total revenue, which is up 17.2%. And talking about verticals, pathology contributed around 75% in this quarter and Radiology, the balance 25%. This concludes my remarks. Now we can open the floor for questions. Thank you.

Moderator: Thank you very much. Ladies and gentlemen, we will now begin the question-and-answer session. First question is from the line of Harshit Khadka from RoboCapital. Please go ahead.

Harshit Khadka: Hello, am I audible?

Management: Yes, sir.

Harshit Khadka: Yes, sir. Thank you for the opportunity. So right now we are doing quarterly, revenue of INR60 crores, so we are on a track to do INR240 crores to INR250 crores annually. So given a guidance of 50% year-on-year growth, is it fair to assume that we will do around INR350 crores of top line in FY28 with around INR120 crores, INR130 crores of EBITDA?

Management: There is some correction actually because we are not going to renew our government contract of NHM. So we are leaving few labs gradually because we will not renew this center. Of course,

we are covering this business with the acquisition and our franchisee business. So, maybe it will range between 40% to 50%, in the years to come. Yes, definitely.

Harshit Khadka: So what was the quantum of this business that you mentioned?

Management: Quantum of government business, or...

Harshit Khadka: Yes, this business that you're leaving

Management: At the moment, it is 22%, NHM, and rest of the government business will continue because CGHS, ECHS And when you see, all these will continue because we don't have any problem in receivables in these, sectors. But in case of NHM, we have decided not to continue, and we have also decided not to take any government new project because these receivable factors basically disturb us.

And we are leaving gradually all these government projects. At the moment, we are, we are having 350 collection points of NHM in Uttarakhand. We have already closed 100 units, and gradually we are closing. And probably in next 2 or 3 months, tender will come, and we are not going to apply again.

And in the meantime, we are covering all these -- this business through our franchisee, because we are going aggressively in franchisee. And last month we have added 280 franchisees in October, and this number will gradually increase. And we are going for so many, acquisitions. At the moment, we are having around 10 diagnostic centers under acquisitions.

So we want -- because we will get the money from this government business, and we will use this money for acquisitions, and we will get the growth through our franchisee. And we are hoping to increase the number of franchisee every month, month by month, and last month we have added 280. Gradually we will get out of this government business completely and we'll be based on B2C business.

Harshit Khadka: Right. So on the franchisee point, sir, so I just wanted to understand like what is the average revenue and EBITDA that a franchisee can give us? And so the 1,000 franchises that we have planned, so what can be the peak revenue and EBITDA from these centers once they mature? From this 1,000 franchisees?

Management: Because we are adding franchisee in last— during the last 6 months, definitely all these franchisees are new. But more or less you can assume after 6 months of working, all the franchisee gets around more than a INR2 lakhs business. For us it is a INR1 lakh -- nearly INR1 lakh business because rest of the money they hold.

So, we are getting around INR1 lakh per franchisee. And the EBITDA part is -- in fact, there is no expense in this. And basically, we should talk about the margin rather than EBITDA because there is no expense in this. Our margins are nearly 75% in franchising. Even after giving the 40% to 50% discount to a franchisee, we get nearly 75% margins.

Harshit Khadka: Okay Okay. It will be our portion right?

Management: Yes, yes, it is, it is ranging between 50% to 55%, in our case because all the franchises are not at the same discount. Those franchisees who are doing much better business, they are getting 50% discount. Those franchisees which are new may get less than 50% discount. But even after getting 50% of the total MRP we are getting around 75% margin.

And that is, basically it is all against the advance because we are working on rolling advance. We don't, we don't bill the franchisee. We get the money, before the start of any test and we work on rolling advance. That is the reason we are expanding in franchisee business aggressively and we are leading government business.

And we have one opportunity because we are getting money from the receivable part of the government business, and we will use this money to acquire various centers. We have already acquired 3 centers in this year, and one is also -- will be declared very soon in this month. So 4 has already been completed, and we are trying to get at least 4 or 5 acquisitions more in this financial year. So we will cover the whole government business through acquisitions and franchise.

Harshit Khadka: Okay, sir, understood. And since you guys are growing very rapidly and we are also doing some acquisitions, so just wanted to understand what will be our debt outlook for FY27 and FY28?

Management: Sir, in case of franchisee, we are not investing anything because all the capital, is taken by the franchisee. As far as acquisition is concerned, right now we are having money, we are doing acquisitions, and whenever we need, we may go for debt also. But the debt part is not, increasing because whatever money we are paying through on debt, what we are going to take the debt may be equal. So our debt part will not increase.

Harshit Khadka: Okay, sir. Thank you. All the best

Management: Thank you, sir.

Moderator: Thank you. Next question is from the line of Nishita from Sapphire Capital. Please go ahead.

Nishita: Okay, yes, thank you for, taking my question, and, I had a few follow-up questions on the previous participant's question. So you mentioned that we can expect 40% to 50% growth. So, this is for like, can I assume that we can achieve this growth in FY27, FY28 both on a standalone basis?

Management: In the H1 we have already achieved 46% and we hope to finish the year 40% plus, definitely. And from next year, definitely we will be having at least 40% to 50% growth because we are aggressively going for franchise business. And all these franchises will start giving fruits next year because we have started 6 months back. And that is the reason, next year we will have a very, very good response from franchisee as well as acquisitions. And all these 2 businesses will, will definitely give us a growth of 40% plus, definitely.

Nishita: Understood. And franchisee, you mentioned that our margins are 75%. This is on the EBITDA level, right?

Management: Actually, we don't have any expense in this unless, only the reagent part is used, because all the expenses, borne by the franchisee. We just get the samples at our center and we do the test at our center, and only the margin, 25%, is our consumable part, and rest of the 75% is our margin.

Nishita: Okay, understood. And, so the franchisees, can we assume that they take around 6 months to mature, and then after 6 months we can expect INR2 lakh revenue per month from these?

Management: Most of the time when franchisee crosses INR2 lakh business -- actually, when, when a franchisee does INR2 lakh business, our business is INR1 lakh because nearly we get 50% of the total collection. And after maturity, it will hardly grow 10% to 15% every year because that franchisee becomes – basically they are saturated.

They are satisfied with the income of INR50,000 plus because all these franchisees are run by the phlebotomists. And usually, these, they, these phlebotomists are earning nearly INR15,000 to INR20,000 as an employee in any diagnostic center. Once they start getting INR50,000 plus, they feel saturated. So we calculate the range between INR1 lakh to INR2 lakh per month per franchisee, even after maturity.

Nishita: Right. So as we reduce our government business and we increase our franchisee business, our margins will also improve quite a lot. So if you could give some sort of outlook on our EBITDA margins for FY28?

Management: Definitely. As far as you are talking about the FY28, our margins will definitely improve just because of franchisee business. But still, even in government business, we were having good EBITDA margin. But because of receivables factor and so many other interference from in this business, we are leaving it and we are going for the cash business. And that will definitely improve our cash flow, and that will definitely improve the growth of the company.

And we can go for acquisitions and more and more centers and franchisee That is the reason. Definitely, as far as, as far as EBITDA percent is concerned, that may not be a big difference because even in government we are having good EBITDA percent. But because of receivable factors and so many interferences, we are not -- we are leaving it and we are not going to government business in future,

Nishita: Right. So like, can we expect our margins to reach around 40% level in FY28?

Management: It, it will be definitely 30% plus, but, at the moment I can't because we are aggressively making so many centers, so many PET scans. We are going to have 5 to 6 PET scans in next 6 months. We are going to have 11 comprehensive diagnostic centers in next 3 months. We are going to have 6 diagnostic centers in next 3 months.

Maybe it may, it may affect some EBITDA, but definitely it will range between 30% to 40%. Because we are managing the business in the way it can -- it cannot go, it should not go less than 30%. So it may be, at the moment in H1 we have already given more than 36%, EBITDA, hopefully. But as far as commitment is concerned, guidance is concerned, I will say it will range between 30% to 40%,

Nishita: Right. Understood. So, since we are opening all these new PET scans and even the diagnostic centers, what is our capex that we can expect in FY27 and FY28?

Management: Sorry, ma'am, please repeat that question.

Nishita: So what do we expect to spend on our capacity, like for the PET scans and for the, comprehensive diagnostic centers that you said that we are planning to open in the next few months? So what will be our capex for FY27 and FY28?

Management: Yes, yes. As far as S2 is concerned, as I told you, we will have 11 comprehensive diagnostic centers, and nearly 80% already we have invested in that. There is hardly any more investment, is basically balanced. And so in next -- in S2, our capex will go for acquisitions only. Normally what happens, we are going for acquisition only 1.5x to 1.6x or 1.7x. So, that depends how many acquisitions we will finalize in H2. As far as our centers are concerned, more than 80% we have already invested and there is no capex involved, much capex involved in that.

Nishita: Right. And for FY28,

Management: FY28, we will continue to expand through our franchisee. And definitely, as far as acquisitions are concerned, we will continue for acquisition in that year also because we, we are having funds from our warrants and what money we are going to get through our government business because we have a huge money with them and that money we will get. So in the same manner, we will continue in FY28 also.

Nishita: So if you could quantify some sort of capex, like if you could quantify the amount?

Management: The amount, basically we will have 12 comprehensive centers and one comprehensive center is costing us around INR8 crores to INR9 crores. That simply means we will go for INR100 crores in comprehensive centers and more than, more than 50 general labs and 1 standalone lab cost us nearly INR50 lakh -- it ranges between INR50 lakh to INR75 lakhs, and that something is nearly INR110 crores we will invest in FY28.

Nishita: Okay.

Management: And, and for acquisition, I cannot tell you because, we don't go for -- basically we go for only 1.5x or 1x -- between 1x to 1.6x. We purchased the center. So that I cannot claim how many acquisitions we will do, but we are in definitely, search of such type of acquisitions, and so many acquisitions are under plan,

Nishita: Right. And another clarification I wanted was, so you mentioned that NHM was 22% of our government business, is that correct?

Management: Yes, our government business total is hardly 28%, and out of that, 22% to 23% is NHM, and rest of the businesses, CGHS and other government organizations.

Nishita: Right. And in your opening statements, you mentioned that we'll have around 4,000 franchisee centers by the end of FY28, and in the presentation it's mentioned 3,000. So, I just wanted to clarify that number.

Management: Yes, yes, actually we are appointing more and more people, and that's why every month our numbers are increasing. As I told you, in the last month we have added 280, and that simply means we will cross 4,000 next FY28 because we are aggressively working on franchise because we have more than 75 labs in 15 states. So, we have ample opportunity to have more and more franchisee because our -- previously we were not doing franchisee business. And so many labs are vacant for us, so we, we will go aggressively. And maybe in the next con-call meeting you will find some bigger figures,

Nishita: Right. And these acquisitions that we want to do, are they going to be in UP state only, or are we planning to expand to some other state?

Management: No, we are not restricted to UP. We have gone for Delhi, we have gone for Bhopal, we have gone for Jaipur and so many other states also. We are not confined to UP now because we are already having a presence in 15 states. So we don't have any reservation for acquisitions. We can go in any states. Wherever we get the opportunity, we are going.

Because once we get one acquisition, one diagnostic center, it creates at least 100 franchisees around that. So, putting more and more franchisees, we need more and more centers. They work as a hub and franchisees work as a spoke. So whenever we make one diagnostic center, we create an opportunity of 100 franchisees. That's why we are mixing our own centers as well as acquisitions also.

Nishita: Okay, understood. Yes, that is it from my end. Thank you for answering all the questions.

Management: Thank you.

Moderator: Thank you. Next question is from the line of Vivek Gupta from Advent Consulting. Please go ahead.

Vivek Gupta: Congratulations on a good set of numbers. Regarding the franchisee business, wherever there is higher potential. Don't you think having a company-owned collection center will make sense, which maybe in the future it can become a lab?

Management: Sir, if company-owned -- if we go for company-owned collection centers, then you cannot go so fast, and moreover you will have to involve your capex. We are putting our capex in diagnostic centers and acquisitions. We are not putting capex on franchisee. Because we are, we are getting good number of franchisees every month.

If you go through, for the last month we have added 280. It is a wonderful number. And, till we are getting such kind of numbers in future, so why should we go for -- sorry, go for putting the capex and owning our own collection points? Because we cannot open the collection centers so fast because you will have to take the place, then you will have a lease deed, then you will do the marketing. So many things. It is not advisable to have collection centers in place of franchising because in case of franchisee...

Vivek Gupta: No sir. I meant not all of them. I meant like say 2%, 3% of the franchisees which are setting up can be owned centers which can later become labs if they are big enough.

Management: We are putting more and more labs. Every month we are putting more and more labs. We are putting capex on labs and centers. And definitely we are having nearly 800+ collection points in different hospitals and other places that we are interested in that. But we are not interested in putting the capex on these collection points, otherwise our EBITDA will be affected, growth will be affected.

So we are putting all the money for growth and EBITDA, and owning the collection point is not an advisable thing for getting more and more EBITDA and growth. The better part is put more and more labs, more and more hubs, so that we, we can have more and more spoke and franchisee.

And in case of franchisee, we don't have to do anything except some branding we do, and for that we get the money from the franchisee. And this is the best part. If we are not putting money and getting 200-300 franchisee every month, I think it is a good proposition. And If anything happens in future, we are not getting so such a good number, so then we can think.

But today it is -- we are getting good numbers, so we are not thinking of putting our own collection points. We are using their premises rather than we should own the premises or on lease. That is not advisable to -- our growth will be affected, our EBITDA will be affected. So we are putting the hubs and we are getting directly patients at our centers also. There are centers where we are having 400, 500 patients visiting our center.

That is a very good proposition because if they are permanent, in fact, there are centers where we are having third generation, in our centers because these centers are 20 years old, 25 years old. So it is better to put a good hub very good diagnostic comprehensive center which can give facility for pathology to MRI. And then, we should have a network of franchisee all over adjoining areas, and that is working good.

Vivek Gupta: Right. So on the returns, the return on capital employed for a comprehensive center, how does it compare with the standalone lab? The standalone lab will be higher?

Management: As far as investment part is concerned, standalone labs, basically we are investing INR50 lakh to INR75 lakh to start a standalone lab. And in case of a comprehensive center, it is INR8 crores plus. So the first part is the capital is more involved, but definitely in case of comprehensive centers, we have a huge business.

There are centers in our company which are giving around INR8 crores to INR10 crores a year. And when they achieve such kind of sales, then definitely we are having 60% plus EBITDA in those centers. So, in case of a standalone lab, definitely we started hardly 2-3 years back for standalone.

Previously we were involved only in comprehensive centers. So, normally we get a INR15 lakh to INR20 lakh business per month. Through these labs. But now we are adding franchisee, that will change the total scene of these labs also because we haven't started...

Vivek Gupta: That's why I was mentioning, your returns on the labs will be higher than your comprehensive center. So instead of saying -- say for example, if you don't set up one comprehensive center,

you can set up 20 standalone labs which will increase your reach, get more customers, as well as get higher returns. And at the same time, your earlier strategy of converting, upgrading these centers can also work.

Management: So, usually what happens when you have a standalone lab, you do a certain number of tests, but you cannot do all type of tests. So you should have a comprehensive center in that vicinity so that you can cover all the tests and you can maintain the CAT also. So it's a total process franchisee standalone lab, comprehensive centers, and central reference lab. All these 4 work together.

So we cannot leave comprehensive center in place of standalone labs. We will have standalone labs, we will have franchisee, we will have comprehensive diagnostic centers, and we will have central reference lab in different places. At the moment, we are having one Lucknow in Uttar Pradesh and Haldwani in Uttarakhand, and now we are going to have at Delhi center.

So we can cover the whole India, comprehensive diagnostic center, because you cannot perform all type of tests in one center. That is the reason franchisee gives the samples to our standalone lab, and after doing nearly 90% test at standalone lab, 10% test goes to the comprehensive diagnostic center, and then 1% test, super specialty test, goes to the central reference lab so that we can cover all type of tests even at our deepest level at a standalone lab. So we will have to have all these things together.

Vivek Gupta: Got it, sir. That was about it, sir. Thank you. I'll join the queue again.

Management: Okay, thank you, sir. Thank you.

Moderator: Thank you. Next question is from the line of Sidhaant Lodaya from Sanshi Fund. Please go ahead.

Sidhaant Lodaya: Yes, so I just wanted to know what kind of capex we are envisaging in the genome lab and the PET scan centers that are coming up?

Management: Basically, we have some arrangement with the party who is giving our PET scan nearly INR3.5 crores because these are refurbished units and have a very good profitability. So that, that is the reason we are going at 6 places in 5 states. Otherwise, PET scan cost you nearly INR10 crores, and we have an arrangement with the, with that party, and already that party is installing our CT and MRI also in various diagnostic centers. That is the reason, even in case of PET scan, we can give a very good profitability.

Sidhaant Lodaya: Understood.

Management: Besides PET scan, you were asking something more?

Sidhaant Lodaya: The genome sequencing lab.

Management: Genome lab merely requires INR5 crores plus.

Sidhaant Lodaya: Understood. And, I'm just new to the company, so just wanted to understand, in the deck we've written 25 comprehensive diagnostic centers and 19 diagnostic centers. So what is the difference between the two?

Management: Sorry, sir?

Sidhaant Lodaya: In the deck on Slide 15, where we've discussed the formats, it says 25 comprehensive diagnostic centers and 19 diagnostic centers. So how should we look at it?

Management: Basically we are having 3 types of centers. One is a standalone lab, that does only the pathology part. And there are diagnostic centers that does pathology plus X-ray plus ECG. The reason behind making that diagnostic center is we are getting corporate work, insurance work, and government work, CGHS and all these. We are putting these diagnostic centers.

And there are comprehensive diagnostic centers. There are hardly few places where you can have a complete comprehensive diagnostic center which gives pathology X-ray, ultrasound, CT, MRI, FibroScan, BMD, mammography, all, all diagnostic facilities under one roof so that we can cover 100%, referral cases.

So these 3 type of centers we are making, and basically we see the place, that place requires a standalone lab, or that place required diagnostic centers with X-ray and ECG. Or that place requires a complete center, that is the reason we make a difference, Tier 2, Tier 3, Tier 4, such type of things will be maintained.

Sidhaant Lodaya: Understood, sir. Thank you so much.

Management: Thank you, sir.

Moderator: Thank you. Next question is from the line of Achut Prabhatam from Dushan Capital. Please go ahead.

Achut Prabhatam: Yes. Sir the first question is on sale of pharmacy business. In the press release you mentioned that you sold the pharmacy business for INR17 crores, but you received only INR12 crores in this quarter. So what about the remaining INR5 crores?

Management: Basically our arrangement was getting 25% in at the time of MOU and 25% after 6 months. That is going to happen in March, and rest of the 50% after 6 months. That is the reason we have, we have already received INR4 crores at the moment.

Achut Prabhatam: No, but in this quarter you have mentioned INR12 crores, right, in exception items? It means you receive INR12 crores, right, sir?

Management: We have taken the full profit in this quarter because the MOU is already done. That is basically a debtor side, and we are taking, we are taking 10% interest on that. On the balance.

Achut Prabhatam: Okay, so ma'am, second question is on this franchise. Like, you are targeting around 3,000, franchise for FY28, and you also mentioned that you will be able to make around INR1 lakh, per franchise. So it will give around INR360 crores of revenue only from franchise. So in FY29,

can we expect INR500 crores to INR600 crores kind of revenue, sir, with this 3,000 franchise and your

Management: I think this is not the right time to tell you the guidance for '29, just because, 6 months back we were having only 50 franchisees every month, and last month -- and it started increasing, and last month we have added 280. We are planning to add 500 franchisees every month, but I cannot give you the guidance. We will get it. So it is very difficult to -- it may be much higher, it may be slightly lesser, but we claim we will have a growth of 40% to 50%, basically next 10 years. That's not a problem because, we are putting more and more centers and having more and more franchisees. It is not a challenge.

Achut Prabhatam: Okay, thank you.

Moderator: Thank you. Next question is from the line of Harshit Khadka from RoboCapital. Please go ahead.

Harshit Khadka: Thank you for taking my question again. I wanted to understand that from the franchise business we will do INR50,000 revenue per month which will be ours, and on that we will have 75% margin. So on, like we are going to do 3,000 franchises. So that equates to around INR135 crores of EBITDA. So is this math correct?

Management: Actually, sir, I, I told you normally franchisee takes 6 months to 1 year to achieve INR1 lakh business. And when, when I talk about INR1 lakh business, that simply means franchisee is having a business of around INR2 lakhs and our part is INR1 lakh. And we have started franchisee business hardly 6 months back.

Definitely FY29 we will have absolute impact of all the franchisee because that time, most of the franchisees will be having more than INR1 lakh per month business. And whatever test we are getting, we have a margin of around 75% because our consumable part is around 25% in case of franchisee, because we are not putting any capex, we are not, giving any running expense. And that is why I told you our margins are 75%. In whatever test we are doing for the franchisee.

Harshit Khadka: So 75% margins on the INR1 lakh revenue that we are making, right?

Management: Whatever revenue we are getting, whether we are getting INR10,000 business, even then it is 75%. If we are getting INR3 lakhs, even today we are having few franchisees who are giving INR3 lakhs per month business. In even in that case, it is 75%. Because I'm talking about the margin, not the EBITDA, and margin is on test basis, and our consumable part is around 25%, whatever money we are getting from the franchisee for the test. That is why I'm telling you it is around 75% margin for each and every test, basically.

Harshit Khadka: Okay, and sir, EBITDA will also be around similar level only, now around 70%, 75%.

Management: How can EBITDA be 75%? Because company has other expenses at main hub, so we can calculate the EBITDA, on a consolidated basis. In this H1, we have already given EBITDA around 36% plus, and we hope to achieve such kind of performance in future also. But as far as guidance is concerned, we always claim it will be between 30% to 40% because we are growing more than 40%, 50% yearly growth.

We are putting more and more hubs so that we can cover the whole India. So in for next 2 years, it may, it may be towards 30% side, but after 2 years, definitely it will, we will achieve nearly 40% plus. But for the next 2 years, we claim it will remain between 30% to 40% because we are not sacrificing our growth.

That is the reason we may have 36%, we may have 35%, we may but definitely it will be 30% plus for next 2 years. After that, definitely our most of the centers will be matured. This franchisee business will become matured because after 2 years, if we are putting 2,000 franchisees in that year and having 10,000 franchisees which are matured, definitely our EBITDA will improve.

Harshit Khadka: Okay, understood. And so what is our aspiration? Like by which year we can do INR100 crores of PAT?

Management: Basically, we have planned to cover the whole India and we want to be on top of this diagnostic business. And when we can achieve INR100 crores EBITDA, you wait, very soon you will get the picture.

Harshit Khadka: Okay, all right, thank you.

Moderator: Thank you. Next question is from the line of Maya Mehta from HNI. Please go ahead.

Maya Mehta: Yes, good afternoon. Am I audible to you?

Management: Yes.

Maya Mehta: So my first question is, according to the FY26, receivable days were about 103, right? And what are they at 30 September? And how much the government dues right now?

Management: Right now it is INR50.35 crores. I'm talking about the NHM. And now we are basically -- tender is coming and we are not putting, for tender. And definitely we will get this money in next 2-3 months and we will exit from the government business in next 3 months.

Maya Mehta: Sure. And my next question is, finance cost rose 55% to around to INR5 crores. How much is bank interest and how much is lease interest? And, what is the average cost of the INR68 crores something of borrowing?

Management: Okay, Rajeev, can you tell the, interest factor, loan interest percentages in different loans?

Management: Yes, that is average 8.5%, and since few loans has increased, in last 1 year. So thereby the cost of finance has also been increased. I mean total cost. So this is, 8.5% around average.

Maya Mehta: Okay. And, what is the average turnaround time from sample collection to test report? And, how does it compare with the second quarter of FY26?

Management: Sorry ma'am, can please repeat the question?

Maya Mehta: What is the average turnaround time from sample collection to test reports? And, so what is compared to the quarter second of FY26?

Management: Basically, it depends from where the sample is we are getting. If we are getting the sample through franchisee, then definitely, whenever we get the sample in the evening, the 2 PM is the cutoff time, and in the evening at 6 o'clock we report all the tests. And when patient is coming to our center, if patient is asking for urgent, then we can give within 1 hours to 2 hours.

Otherwise, normally it takes 6 hours to 8 hours for the report. But there are some tests which are very super specialty tests, or microbiology, histopathology, that requires more time. Because in case of histopathology, we need at least 5 days to report. And in case of microbiology, it needs 48 hours.

Otherwise, all 99% tests we can report immediately if it is urgent and patient has given sample at our center. But if the patient has given sample to franchisee, they after 2 PM, they transfer the sample to us and at 6 PM around we report all the tests. It is never the total.

Maya Mehta: What is the total patient volumes in quarter 2 of FY27 against this quarter 2 of FY26?

Management: You're talking about the growth of the patient volume?

Maya Mehta: I'm talking about means total patient volume in quarter 2 of FY27 against the quarter 2 of FY26.

Management: Rajeev, you have the numbers for patient? Hello? Rajeev?

Management: Yes, hello. Yes, ma'am, during this quarter we have served 7,25,300 patients, and last year the figure was around 5.5 lakh.

Maya Mehta: Okay. Yes, sir, enough from me. Thank you, sir. Thank you so much.

Management: Thank you.

Moderator: Thank you. Next question is from the line of Santosh Singh from HNI. Please go ahead.

Santosh Singh: Good afternoon, sir. Thank you for the great set of the numbers.

Management: Thank you.

Santosh Singh: You. Am I audible, sir? Could you confirm?

Management: Yes. Thank you, sir.

Santosh Singh: Okay, so, my question is what has changed in the business that, our material cost has dropped to 4% from -- once upon a time it used to have 20%. Now it has dropped to 4%.

Management: Which cost?

Santosh Singh: Material cost.

Management: Rajeev, you can explain this thing?

Management: Yes, we have, INR7.64 crores of cost of material this quarter, which is roughly around 13%. So what is your question, sir?

Santosh Singh: Yes, my question was what has changed in the business That has dropped so sharp.

Management: The cost of material has dropped?

Santosh Singh: Yes, it seems to be very high, right?

Management: Yes.

Management: So maybe it is because of franchisee -- because of more and more franchisee business. We have, if you go through B2B business, has increased more than 100%. That, that may be the reason. That has to be.

Santosh Singh: Yes, I'm hoping so. That should be the reason. Then in that case employee costs should also come down, right? Or are we not -- are we handling it differently? Actually, that was my second, question on that.

Management: Actually, we are putting more and more comprehensive and standalone labs, and that's why employee cost has to increase drastically. In this year, basically, we will have more than 18 comprehensive centers. Centers, what we have done and what we are going to do. So employee cost will definitely increase, all the time. When we will go for 40%, 50% growth, employee cost will increase definitely.

Santosh Singh: Yes, I was hoping my both the costs should actually move with increase in all this, right?

Management: No, sir, new centers, basically new centers doesn't have such kind of business, but you have to set the center and you have to appoint all the employees, doctors, and everyone. That is the reason consumable part is not increased, as per employee cost because of expansion, because of new centers. It happens. When these centers will be matured, then it will come down definitely.

Santosh Singh: Or are we passing, or it is borne by the like center owner, could you just clarify that?

Management: Sorry, sir?

Santosh Singh: Consumable is partly handled, by the franchises. Is it like that?

Management: No, franchisee are not handling any consumable part because they are just collecting the samples and they are transferring the samples to our main center. So all the consumables are -- basically we are purchasing consumable at our central warehouse Lucknow, and we transfer the samples, reagents to all over India. So there is one purchase point, and we transfer, and we have 100% control over consumables everywhere because a franchisee has no role in purchasing or handling the consumables.

Santosh Singh: Okay, Yes, that is the clarification I was looking for. My final question would be like, why our debtor days are at least 2 times to 3 times our industry average? So, could you comment on that? That is my final and second question.

Management: Sorry, sir. What is your question?

Santosh Singh: Debtor days.

Management: Debtor days? It is all because of NHM. That's why we are getting out of the NHM business, and then it will come down to hardly 34 or 40 days only. Because we have...

Santosh Singh: Inaudible 0:57:07

Management: Yes, definitely. At the moment we have INR50 crores plus receivable in NHM, and then we are not going for tendering process because there is a renewal. So it is only last 2-3 months we are serving them, and then we are coming out of the government business. And in future also we are not going for any government contracts.

Santosh Singh: Okay, sir. That's all from my side. Have a great day, sir. Thank you for taking my question.

Management: Thank you.

Moderator: Thank you. Next question is from the line of Amit Mehendale from RoboCapital. Please go ahead.

Amit Mehendale: Thank you, sir. My first question is on the government business. So from which month the business will become zero?

Management: Actually, basically, our contract has been completed, but maybe, in Uttarakhand there is an election in January, February. Maybe, they put the tender after the election. But I don't know whether they will put the tender before election or after election. It may be a matter of 2-3 months.

But what we are doing, those collection points which are not giving good results -- last month we have closed 50 collection points, and this month we are closing 50 more. So that -- because we are exiting from government business, we are not bothered about low profitable collection points. So, we are interested to leave, but they are requesting us to continue till the next tender.

Maybe it may be a matter of 1 month or 3 months, but we have already informed them. And, but they have given -- they have requested us to continue for another, few months before the tender process is complete. So it may be a 1 month or 2 or 3 months, but we are getting payments also And, hopefully we will get all the payments in next 3-4 months,

Amit Mehendale: Right sir. And for, franchises, what is our like, customer -- the franchise acquisition strategy, like go-to-market for franchise? How are we acquiring franchisees and how much are we spending? Like for, for acquiring, say, 280 franchises, how much money was spent on marketing, advertising, or the entire acquisition process?

Management: We do have marketing person, if you -- basically, one marketing person, goes for 3 to 5 franchisees every month. That is their target, 5 franchisees per month, and they are achieving this target. In case, in the last month, nearly 40 executives were working for franchisee, and we have added 280. It is definitely more than the, basically average what we were asking from them. So, if we want 500 franchisees, then definitely we should have at least 100, executives, working in 15 states, and that is our target.

Amit Mehendale: Are you also spending for marketing...

Management: This is the only expense we do in case of, getting that franchise, because rest of the capital they invest, and we don't have any capex involvement in that. Rather, we are doing rolling advance. We get the money in advance and then we do the test. Whenever they send the test, that money is deducted from their rolling advance.

And when the rolling advance is going to finish, they invest more, they transfer the money. So we are working on rolling advance system and we are not putting any capex in that. The only -- our marketing team is helping them and nearly they are adding 4 or 5 franchisees every month by each executive. So marketing cost is not very, significant in -- because every month we are getting INR4 lakh or INR5 lakh business, addition by one executive.

Of course, at the moment -- of course in the initial part of the contract we don't get such type of business, but in 6 months to 9 months, they start getting more than INR1 lakh per month business. More than INR1 lakh per month business with each franchisee.

Amit Mehendale: Right sir. For these executives to close...

Management: We are creating a huge business through franchisee, and it will be reflected every month. It is reflecting every month. It is increasing every month, every year. So you were asking something?

Amit Mehendale: Yes, sir. I was just trying to figure out if you are running any Google ad campaigns, or I mean executives who are talking to franchisees, they need some leads, right? To close 5 franchises, they may need 50 leads or 100 leads, and those may be generating via internet marketing or whatever. I mean, there must be some costs of acquiring those leads as well.

Management: No, we don't. Basically, we are not investing in Google for achieving this franchisee. Basically, they are targeting, targeting phlebotomists working in different centers, and they propose them to become a businessman you can earn more than INR50,000 a month within 6 months. At the moment they are working on INR15,000 or INR16,000.

What is our advantage? If they are having some place where they can collect the sample, the, the advantage is we don't have to train them because they are already phlebotomists who are collecting the sample. We don't have any training program for them because they know everything.

We just put our software in their computer and they start collecting the samples. So, we don't go for Google or anybody else and getting the leads from them. Our marketing executive goes to different centers and inspire them to have their own business. That is our policy,

Amit Mehendale: Right? So understood. And my last question is on, capital. For growth are you looking to raise any equity capital in next 2 years?

Management: No, we will not raise the capital. Not at all.

Amit Mehendale: Okay, sir. Thank you. That's it from my side.

Management: Thank you, sir.

Moderator: Thank you. Next question is from the line of Vivek Gupta from Advent Consulting. Please go ahead.

Vivek Gupta: So my question was regarding migration to main board in NSE. Since you have paid up capital of INR25 crores and more, so does it become mandatory now?

Management: Sir, we have already covered everything as far as our migration of main board is concerned, but we have to wait for 3 years' time, and now 1 year 3 months left. The moment this will be completed, we will apply because we have already inducted everything in our system and accounting system. We are giving quarterly results that is not required for SME listed, but we are giving quarterly results also. We have done everything whatever is required for main board, but we have to wait for one more

Vivek Gupta: No, but since your capital, paid-up capital is more than 25, do you still have to wait for 3 years or you can do it now?

Management: We are already -- we have crossed INR25 crores and that is the reason we are adopting all the accounting rules for main board. Rajeev, you can tell about this.

Management: Sir, since we have crossed the threshold INR25 crores, so we are already complying with all the regulation applicable on mainboard companies. So, but for shifting, migrating to mainboard, we have to wait for 3 years. But we have to comply with all the regulations, till we...

Vivek Gupta: But there is some rule that if you cross 25, then you don't have to wait for 3 years?

Management: No, there is no such rule, sir.

Management: No sir.

Management: It is time-bound only.

Vivek Gupta: Okay, fine. Thank you, sir.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to Mr. Parth Acharya for closing comments.

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@kiranadvisors.com. Once again, thank you everyone for joining the conference.

Management: Thank you, sir. Thank you all.

Moderator: Thank you, ladies and gentlemen. 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.