

Date: 20th May 2026

To,
Listing Compliance Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai-400051

NSE Symbol: Madhavbaug

Sub: Intimation of Transcript of the Earnings Conference Call for the H2 & FY26 held on Monday, 18th May 2026.

Ref: Intimation of Earnings Conference Call Invite to discuss operational and financial performance of the Company for the H2 & FY26.

Pursuant to Regulation 30 of the Listing Regulations, kindly find enclosed the copy of the transcript of the Earnings Conference Call held on Monday, 18th May 2026 on the audited financial results for the H2 & FY26.

The aforesaid information shall also be disclosed on the website of the company.

We would request you to take the above intimation on records.

For, **Vaidya Sane Ayurved Laboratories Limited**

Sapna Vaishnav
Company Secretary and Compliance Officer

Encl: As above

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Vaidya Sane Ayurved Laboratories Limited
H2 and FY'26 Earnings Conference Call
May 18, 2026

Moderator: Ladies and gentlemen, good day and welcome to H2 and FY'26 Earnings Conference Call of Vaidya Sane Ayurved Laboratories 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 "*" then "0" on your touchtone phone. Please note that this conference is being recorded.

This conference call may contain forward-looking statements about the company which are based on beliefs, opinions and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and involve risk and uncertainties that are difficult to predict.

I would now like to hand the conference over to Dr. Rohit Madhav Sane - Chairman and Managing Director from Vaidya Sane Ayurved Laboratories Limited. Thank you and over to you, sir. Thank you.

Dr. Rohit Madhav Sane: Thank you, sir. Good afternoon everyone and thank you for joining the Vaidya Sane Ayurved Laboratories Limited earnings call to discuss our performance for the Second Half and Year Ended 2026.

I would like to begin by expressing my gratitude to all of you for taking the time to join us today. On behalf of the management team, I would like to extend a warm welcome to all of our investors, analysts and stakeholders joining us today. We appreciate your continued trust and interest in our journey as we work towards building India's leading evidence-based Ayurvedic disease reversal platform.

I have with me on call today Dr. Vidyut Bipin Ghag - the whole-time Director, Mr. Narendra Pawar - the Chief Financial Officer and Adfactor's PR team and our investor relations team. We have shared our Results Update Presentation. I hope you all must have received it. We appreciate your interest in our Company and we are excited to share our business updates, financial performance and strategic outlook.

Over the last two decades, Madhavbaug has built a differentiated healthcare ecosystem focused on reversing non-communicable lifestyle diseases through a unique integration of

Ayurveda and modern diagnostics. Today, our network spans more than about 320 clinics across Delhi NCR, Uttar Pradesh, Madhya Pradesh, Maharashtra, Gujarat, Goa, and Karnataka. Out of these 24 are company-owned clinics and 46 are OPD centres and mini clinics and 250 are the franchise clinics. There are about four company hospitals and two franchise hospitals. The franchise hospitals, one in Surat and the other in Kolhapur. Over about 134 beds total and a strong ecosystem of 450 plus ayurvedic physicians across 14 states and union territory. We have successfully treated over 10 lakh patients till date. More than that, while continuing to strengthen our scientific credibility through published clinical research and technology-enabled patient monitoring.

Over the last few quarters, our strategic focus has been on transforming our revenue mix and improving the unit economics. Historically, our business was largely driven by preventive healthcare programs with relatively lower ticket sizes. However, we have consciously shifted our focus towards specialized disease reversal programs targeting cardiac disorders, diabetes, hypertension, obesity and related lifestyle disorders. So, these therapies generate significantly higher annual revenue per patient, typically in the range of Rs. 50,000 to Rs. 60,000 compared to preventive care programs, which are largely in the range of Rs. 10,000 to Rs. 13,000 annually. In FY'26, we have generated about 1,18,223 new patients. Our medium-term target is to reach about two lakh new patients annually till FY'28, supported by stronger brand awareness, digital engagement and increased insurance coverage.

A key strategic shift has been our move from preventive wellness to disease reversal programs, higher-value interventions, where average patient billing ranges from Rs. 50,000 to Rs. 60,000 annually. This aligns better with our doctors' expertise and the clinical outcomes we are known for, helping us achieve both better patient results and stronger financial returns. This transition is not only improving our average realization per patient, but also allowing us to better utilize our doctors' expertise, strengthen patient outcomes and improve profitability across the network. We believe this strategic pivot will remain one of the most important long-term growth drivers for the company.

On the operational front, our hospital business continues to scale steadily. We currently operate hospitals in Khopoli, Nagpur, Vadodara and Vishakhapatnam. With a combined capacity of more than 134 beds, our near-term objective is to increase this capacity to 250 to 300 beds over the next 12 to 15 months through expansions in Khopoli and Nagpur, as well as scaling up the operations at Vadodara hospital also. The Khopoli expansion remains a key focus area for us, supported by CGHS approval and active cashless insurance tie-ups, which continue to support occupancy and patient accessibility.

Simultaneously, our other hospitals are progressing well towards insurance empanelment with major insurers and DPAs, which we expect to significantly improve utilization and patient inflow over the coming quarters. As we have consistently communicated, hospitals represent the next phase of growth for Madhavbaug. Hospital-based disease reversal treatments offer

stronger monetization opportunities, higher patient engagement and improved EBITDA contribution. Over the medium term, we expect our revenue mix to gradually evolve from the current clinic heavy structure towards a more balanced 50%:50% mix between clinics and hospitals. At the same time, we continue to expand our clinic footprint through our asset-light franchise-led model. We expect to add approximately about 30 to 40 franchise clinics in the next year or so. This model enables us to scale efficiently with limited capital deployment, while strengthening our reach in underserved and high-demand markets across India. Our digital ecosystem also continues to play an important role in improving patient engagement and clinical outcomes. Our MIB PULSE application and our proprietary Power MAP analytics platform are helping us monitor patient adherence, track outcomes and create a more data-driven healthcare ecosystem. The MIB PULSE platform has already crossed more than about 1 lakh to 1.5 lakh downloads and continues to support long-term patient retention and treatment monitoring.

On the manufacturing side, our subsidiaries Dynamic Remedies and UV Ayurgen Pharma, continue to strengthen our vertically integrated model. In-house manufacturing ensures quality consistency, supply assurance, cost optimization and faster development of standardized ayurvedic formulations and diet kits. Products continue to remain an important contributor to enterprise revenues while also supporting margin expansion.

During the year, we also took a strategic step towards strengthening our healthcare platform with the proposed acquisition of Parasnath Health Care OPC Private Limited. This acquisition aligns with our long-term vision of expanding our healthcare capabilities, enhancing service offerings and strengthening our presence in the integrated healthcare ecosystem. We believe this proposed transaction will create operational synergies, broaden our reach and support sustainable growth going forward, subject to completion of definitive agreements and applicable regulatory approvals.

Another important milestone during the year has been our international expansion initiative through our Malaysia partnership with Maxura Healthcare. This marks the beginning of our global journey and validates the scalability of our evidence-based ayurvedic disease reversal protocols in international markets. We believe this asset-light model can become a template for future international growth opportunities. In addition, we have also initiated investments in Urja Neuro Care, which will focus on neurological disorders such as Parkinson's, paralysis rehabilitation and Alzheimer's care through ayurvedic approaches. This creates a strategic diversification opportunity while leveraging our clinical expertise and research foundation.

Looking ahead, we remain confident about our growth trajectory. For the year FY'27, we continue to target revenue of approximately Rs. 170 crores to Rs. 180 crores, supported by stronger patient additions, increasing hospital utilization and contribution from new clinics. Over the medium term, we see significant potential to scale revenues towards Rs. 250 crore to Rs. 300 crore by FY'28, while aiming for EBITDA margins above 20. Our long-term mission 2028

and mission 2030 remain firmly on track. We aspire to bring five crore people under our care ecosystem through 1,000 clinics, 10 hospitals across India and beyond. With rising awareness around preventive healthcare, increasing evidence of lifestyle diseases, growing acceptance of Ayurveda and strong government support through the AYUSH ecosystem, we believe Madhavbaug is uniquely positioned to capitalize on this large and growing opportunity. Before I conclude, I would like to sincerely thank our doctors, employees, franchise partners, patients, investors and all stakeholders for their continued confidence and support. We remain committed to delivering sustainable growth, strong clinical outcomes, operational excellence and long-term value creation.

Now, coming to the Clinical performance, before I end:

The half-year performance of H2 FY'26, revenue from operations for H2 FY'26 is Rs 56.96 crore, as against Rs 48.12 crore in H2 FY'25. Year-on-year increase was about 18.37%. This growth has mainly driven by higher patient engagement, improved therapy adoption and robust growth in wellness product sales. The EBITDA excluding other income was Rs. 6.80 crore in H2 FY'26, as against Rs. 8.56 crore in H2 FY'25. The profit after tax was Rs. 4.15 crore in H2 FY'26, as against Rs. 3.38 crore in H2 FY'25, year-on-year increase of 22.77%. The PAT margin was at 7.29% in H2 FY'26 increase of 26 BPS year-on-year.

The basic EPS stood at 3.95% in H2 FY'26. The full-year revenue from operations for FY'26 is Rs. 106.91 crore, as against Rs. 89.92 crore in H2 FY'25, year-on-year increase of 18.89%, driven by sustained patient addition, growing acceptance of ayurveda healthcare solutions and continued training of our clinical network. The EBITDA excluding other income was Rs 15.42 crore in FY'26, as against Rs 14.32 crore in FY'25, increase of 7.63%, driven by better cost control, especially in employee and raw material expenses along with an improved product mix. The profit after tax was Rs. 8.99 crore in FY'26, as against Rs. 7.15 crore in FY'25. The basic EPS stood at Rs. 8.51 in FY'26.

So, now we are happy to take your further questions.

Moderator:

Thank you very much sir. We will now begin the question-and-answer session. The first question is from the line of Priyansh Miri from NJP Family Office. Please go ahead.

Priyansh Miri:

Sir, congrats on a good set of numbers. You are diversifying and executing really well on different verticals within the ayurveda service line. Sir, my question first is more on accounting part. So, in the result we published, we have three separate sister entities of different ownership. So, can you give some detail on the three sister entities that we have in the company and what is our long-term vision with those? Are we going to merge it or spin it off? What is the business strategy with those?

Dr. Rohit Madhav Sane: So, as of now, the sister concern companies majorly are related to the manufacturing processes. The one which is dynamic remedies, which manufactures the medicines, while the other is the UV Ayurgen, which manufactures the food. As we go ahead, we have not yet planned for the actual actions yet about whether we are going to merge it or whether we are going to take it ahead through a different route. The whole action plan is not yet completely decided. But in the next few months, I will be able to decide that in a very right manner about what is to be done. But that is what is the progress till now.

Priyansh Miri: Okay. Understood. Sir, this is a kind suggestion to the investors in the company. Like, if we simplify the corporate governance, because even for a legit reason to expand our back-end medicine manufacturing and all, even if we transfer some funds from our existing listed entity to other sister entity, those does not sit well with a lot of institutions. So, if we can even at the expense of diluting our blended EBITDA, because these are just the manufacturing, like you are saying, if it simplifies the overall corporate structure, your company would be viewed much more with good lens among the investors. That is one kind suggestion, sir. Another one, sir, question is on the financial sheet that we submitted. So, in that, the other expenses are more than 50% of our expense and not enough breakdown was given, right? So, can you, if you have the detail handy, can you please explain what are the further components within those other expenses, around the

Dr. Rohit Madhav Sane: The details are not handy with me, but I can tell you a few things about it. This other expense majorly includes the marketing expense, as well as the clinic expenses, as well as the professional fees that usually the senior doctors usually that they get, and rest of that has the rent as well as GST and other rates and taxes. So, that is majorly. So, majorly that gets grouped into other expenses.

Priyansh Miri: Understood, sir. Sir, one more suggestion here also, like, you can communicate to your auditors, right? Like, it is a good practice, even if you are not giving a breakdown of other expense, it should be maybe around 10% at max of your total expense, right? If it is more than 50% and no split is given, then it becomes harder?

Moderator: Sorry to interrupt, sir. Your voice is breaking.

Priyansh Miri: Sir, can you repeat it?

Dr. Rohit Madhav Sane: So, 10% absolutely, if at all we do not consider marketing expense into it, it will come down to 10% only. When the marketing gets included into it, it goes more.

Priyansh Miri: Okay. So, it includes, these are small, maybe in classification or details, right, that we might have. If we improve on this, this will do, surely should better, right? On our side.

Dr. Rohit Madhav Sane: Will do. Done.

Priyansh Miri: One last question, sir, on your hospital mix. You mentioned, like, by FY'28, we are targeting around Rs. 240 crores to Rs. 260 crores, right? As a revenue. So, what percent will be from hospitals?

Dr. Rohit Madhav Sane: By FY'28, about 250 is what. In that case, I am looking for about, in that case, we will be having about 150 beds in the Khopoli Hospital itself, wherein about I will be looking for about 50 odd percent of revenue from the Khopoli Hospital itself. So, if at all we talk about the actual figure, yes, it will be somewhere about Rs. 100 crore should be expected, Rs. 100 crore to Rs. 125 crore should be expected from the hospitals itself.

Priyansh Miri: Okay. And then blended ARPU that would be around Rs. 50,000 to Rs. 60,000 that we are expecting.

Dr. Rohit Madhav Sane: In the hospital, you mean to say?

Priyansh Miri: Yes.

Dr. Rohit Madhav Sane: In the hospital, it would be, the blended ARPU is going to be about, Rs. 70,000 odd.

Priyansh Miri: Okay. Understood, sir. Thank you. Thank you, sir, for taking the question.

Moderator: Thank you. Next question is from the line of Dhananjay Bagrodia from Alchemy. Please go ahead.

Dhananjay Bagrodia: Hi sir. I just want to understand, you spoke about franchises. What is the unit grammage for them? Like how does it work for a franchise, cost and revenue and what is their numbers like?

Dr. Rohit Madhav Sane: Okay. In case of a franchise generates a turnover of Rs. 100, normally Rs. 35 to Rs. 40 come down to the company. So that is the broader division between our revenue as well as their revenue.

Dhananjay Bagrodia: No, I get that part. But today, this is the highest royalty rate or revenue rate where you get 40 and 100. What is their cost and what are you all helping them with? Just so that we can understand by the way of franchises.

Dr. Rohit Madhav Sane: Yes. I will tell you. So, in this, this is not the only royalty that I am talking about. We give them all the support related to the medicines that they need to support the patient's health as well as the therapy kits that they need to perform the panchakarma procedures, as well as the marketing efforts that we do for them to get the new patients to their clinics, as well as the research papers that their names usually have into those research team is with us, as well as other supports like the logistic, as well as any kind of senior medical support, any kind of non-improvement in the patients, that improvement for which our senior medical doctors go to

their clinic, all such kind of support has been included in it. And hence it comes down to 40, which majorly includes the medicines that they purchase.

Dhananjay Bagrodia: So, just to understand, let us say for franchise, what is the cost per

Dr. Rohit Madhav Sane: I will tell you. For example, consider, a franchise usually gives us about 35% to 40%. So, consider a franchise owns us about Rs. 10 lakhs. I got it. I will explain you. So, on an average, a franchise salary usually goes from about Rs. 1 lakh to Rs. 1.5 lakh per month. The rent differs from geography to geography, but we can consider it Rs. 50,000 to Rs. 1,25,000, Rs. 1,50,000 a month max. And the remaining goes into some kind of ancillary expenses. So, if a franchise earns about Rs. 10 lakh a month, out of which about Rs. 3.5 lakh to Rs. 4 lakh is paid to the company, more about Rs. 3 lakh odd goes into other expenses. So, on an average about Rs. 2 lakh to Rs. 2.5 lakh is what the franchise carries at home.

Dhananjay Bagrodia: Okay. And sir how many franchises do you have at the moment?

Dr. Rohit Madhav Sane: Somewhere about 180 to 190.

Dhananjay Bagrodia: What was the same number when, let us say, three years ago?

Dr. Rohit Madhav Sane: Almost the similar thing.

Dhananjay Bagrodia: Okay. So, numbers have not increased?

Dr. Rohit Madhav Sane: We have not increased as of now, last three years.

Dhananjay Bagrodia: Why is that so?

Dr. Rohit Madhav Sane: In last two, three years back when the marketing was deranged to a certain extent, we have now tried to get that marketing back into action. Now this year when the marketing increases and the new patient footfall increases to the existing clinic, then we will be starting with increasing the number of franchises. As well, we are concentrating majorly on the hospital bed growth as of now. So, we are not investing our money in having new company clinics. So, we will be looking at franchise clinics. So, the growth is slow in case of franchise clinics. But the reason is that we have stopped because I want to nourish the existing franchise clinics with more number of new patients. Once that happens, then we will be growing with the number of franchise clinics in the newer geography.

Dhananjay Bagrodia: And sir

Moderator: Sorry to interrupt, Mr. Bagrodia. May I please request you to rejoin the queue? Several participants are waiting for their turn.

Dhananjay Bagrodia: Okay sir. Thank you.

Moderator: Next question is from the line of Darshil Jhaveri from Crown Capital. Please go ahead.

Darshil Jhaveri: Hello. Good afternoon, sir. Thank you so much for taking my question.

Dr. Rohit Madhav Sane: Yes. Darshil.

Darshil Jhaveri: Hi, sir. I just wanted to understand in terms of H2, why has our EBITDA fallen so much if I compare to H1 and even compare to last H2, sir? So like, what do we look at the steady-state EBITDA? Because we are saying about 20%. But I think in H2 we were around, without the other income, we were at around 12%. So, I just wanted to understand, sir.

Dr. Rohit Madhav Sane: So, it was about the introduction of the new call centre that we had introduced. That call centre was an extra expense on this whole plan. And that has been the major reason. No other reason other than that.

Darshil Jhaveri: Okay, sir. So currently, what is the extra cost of it? Because call centre would be a cost rental right?

Dr. Rohit Madhav Sane: Rs. 50 lakh to Rs. 60 lakh a month.

Darshil Jhaveri: Okay. It would be around Rs. 50 lakh to Rs. 60 lakh a month, right? Okay, fair enough. So, in FY2'7, sir, the revenue is very clear, sir. But what is the steady-state EBITDA margin that we can do, sir?

Dr. Rohit Madhav Sane: More than this and reaching towards 20.

Darshil Jhaveri: Okay. We will be reaching towards 20, sir. Fair enough. And sir, is there any thoughts for us to do quarterly calls? Because, sir, what happens now when we come out with the results, we would be more aware about this cost centre in December, something, the reaction would not be such wild. Because now we are also a growing company. So, if possible, we could do a quarterly call. That would be really beneficial.

Dr. Rohit Madhav Sane: Sure. I will try for that. Surely, I will try for that.

Darshil Jhaveri: Yes, fair enough, sir. And sir, this last question from my end sir. So currently, a lot of people are now coming into this segment. So, do you see that there is going to be some competition or because of a lot of more people coming in, we will have to even enhance on more marketing expenses, any kind of rough marketing ads we can target in FY'27, sir?

Dr. Rohit Madhav Sane: Yes. About FY'28, I will give you. The whole plan would be reaching about two lakhs new patients is what we will be planning for. So, on an average, it would be somewhere about Rs.

2,000 per new patient acquisition is what we will be planning for. So, somewhere about Rs. 40 crore to Rs. 45 crore of marketing expense is what is to be required to reach to that level.

Darshil Jhaveri: That would be per year or total over the next year?

Dr. Rohit Madhav Sane: Per year.

Darshil Jhaveri: Okay, per year. Okay, Fair enough, sir. Fair enough. So, then that would drag our EBITDA more, because we have not spent that much currently, right?

Dr. Rohit Madhav Sane: No, we have not spent that much. But if a level of about Rs. 180 crores is what we reach. So, in that case, about Rs. 40 crore to Rs. 45 crore of marketing, plus Rs. 40 crores to Rs. 45 crore of COGS, that is about 26%. Plus, it would be about Rs. 25 crore odd of HR manpower expenses, and maybe 10% of the total turnover would be the other expenses that would reach somewhere about Rs. 140 crore, Rs. 150 crore odd of total expense. So, about Rs. 30 crore still stays back in this whole calculation. So, somewhere about 18%, 19% EBITDA can be expected.

Darshil Jhaveri: Okay. Fair enough, sir. That is a really detailed breakup, sir. Thank you so much. All the best, sir. Thank you.

Moderator: Thank you. Next question is from the line of Akshat Mehta from Seven Rivers Holding. Please go ahead.

Akshat Mehta: Hello, sir. First question is on the on the revenue target that you have given, Rs. 170 crores to Rs. 180 crores. Can you just break that down a bit as to, you know, how will you achieve that between hospitals--

Dr. Rohit Madhav Sane: Akshat your voice was not clear to me. Can you come once again?

Akshat Mehta: One second, sir. Hello. Is it better?

Dr. Rohit Madhav Sane: Yes.

Akshat Mehta: I was asking that the target that you have given for FY'27 for Rs. 170 crores, Rs. 180 crores, can you just break that up a little bit as to how you will achieve between hospitals and between franchise clinics and hospitals between the number of beds and the ARPU as well?

Dr. Rohit Madhav Sane: So, if we have to reach about Rs. 170 crores, the hospital revenue has to be somewhere about Rs. 50 crores to Rs. 60 crores. And the total clinic revenue has to have, say, about Rs. 100 crores to Rs. 110 crores. So, that is supposed to be the whole plan. So, we are heading towards it. We are planning for that.

Akshat Mehta: And in the hospital segment as well, majorly, because of the bed additions that you are doing, will you see some, you know, single digit ARPU growth also?

Dr. Rohit Madhav Sane: Yes, we will be seeing a single digit ARPU growth also, as well as the number of beds also should increase to a marginal level. But that will help us, as well as the marketing activities that we are trying to do for the existing hospitals, that also will help us to reach to that level.

Akshat Mehta: Sir, my next question is on the marketing cost. So, you said that the call centre costs around Rs. 50 lakhs, Rs. 60 lakhs per month, which is around Rs. 1.5 crores to Rs. 2 crores. Apart from that, there has been a, you know, Rs. 7 crore, Rs. 8 crore jump from first half to the second half of the year, in terms of the other expenses. So, I am assuming this is all marketing cost. So, when will we kind of see the effect of the marketing cost? Because this year, we have seen kind of a 19%, 20% of growth.

Dr. Rohit Madhav Sane: Right. The same, because what happens is 19%, 20% of growth that we see in our books, that is more in the total organization's enterprise growth. So, whenever the enterprise growth is about, say, about Rs. 50 crore odd, out of that 40% comes into the company's books. So, the marketing, whatever we do is for the franchise clinics, as well as the hospitals, as well as all the company clinics also. So, whenever the enterprise growth increases by about Rs. 100, Rs. 40 comes into the company's book. So, you will always see that kind of dip in between this. But the growth is actually going on. Hence, 18% to 20% of growth is seen in the company's books.

Akshat Mehta: But the percentage is similar, right? 40%. It was last year 40%, this year also 40%. So, if it goes from 100 to 125, that 40% will also grow by 25%, right?

Dr. Rohit Madhav Sane: Yes. You are right. So, that should happen now. So, we have been looking into it. Yes, 2027-2028. We are looking ahead for it.

Akshat Mehta: Okay. Sir, can you help us understand where in the stage of expansion each of the hospitals are that we want to reach to 250, 300 beds?

Dr. Rohit Madhav Sane: Yes, I will. Right now, the Khopoli hospital is 50 bedded. And we have now reached to about the third slab out of those total seven slabs of the Khopoli hospital. So, the construction is in full space. And so, as we go on to the seventh slab before the rain begins in next two, two and a half months, what is we are planning for. That will help us to start with the ground floor of the existing construction. So, that would happen for the Khopoli hospital, as well as for the Nagpur hospital, we are waiting for the permissions from the government. Once that comes in, we will be planning to set up the Nagpur hospital also.

Akshat Mehta: Okay. And Baroda hospital?

Dr. Rohit Madhav Sane: Baroda hospital is a rental model. We do not have to spend anything into it. Once we reach to about 60% of the total accommodation in the Baroda hospital, we will be going for the top floor, which has more about 75 odd beds accommodation space existing with it. So, that will have some more time to reach to that level.

Akshat Mehta: Can you share your

Moderator: Sorry to interrupt Mr. Mehta, may we please request you to rejoin the queue, sir?

Akshat Mehta: Yes. Sure.

Moderator: Thank you. Next question is from the line of Dharmesh Patel from Dhyanam Capital. Please go ahead. Dharmesh, your line is unmuted. Please go ahead with your question. As there is no response from the current questioner, we will move to the next question from the line of Vinayak Kuruva from Virtuous Capital. Please go ahead. Vinayak, your line is unmuted. Please go ahead with your question.

Vinayak Kuruva: Yes. This is Vinayak here. Now, my voice is clear?

Moderator: Yes, you are audible. Please go ahead.

Vinayak Kuruva: Yes. So, doctor, can you brief more on that, if I pronounce properly, Parasnath hospital, which we acquired? So, my question would be, you have mentioned in the result note, it has got Rs. 14 crore revenue as of March'26. So, first question is, what is an EBITDA with this Rs. 14 crores? Hopefully, we are expecting because it is too early to ask you on EBITDA. Second thing, do we have any balance sheet, which you can say whether the asset has also come in or how many clinics they have or how many beds they have? So, can you brief more on that?

Dr. Rohit Madhav Sane: Yes. So, these Parasnath clinics is a chain of about 70 odd franchise clinics. And the company turnover is about Rs. 14 crore odd. And the EBITDA that I had seen was about Rs. 1.1 crore odd was the EBITDA. And these Parasnath clinics are majorly working in joint pain treatment through Ayurveda. So, that has been since about 10, 12 years past, these clinics have been there. And they have reached to a level of Rs. 14 crore of turnover with 70 franchises odd. So, in the future, we are again planning to increase.

Vinayak Kuruva: Sorry to interrupt sir.

Dr. Rohit Madhav Sane: No problem.

Vinayak Kuruva: Rs. 14 crores is in the books of Parasnath right? And it is not a gross turnover. It is a net turnover in the books of Parasnath.

Dr. Rohit Madhav Sane: Net turnover.

Vinayak Kuruva: Perfect. Please sir, go ahead.

Dr. Rohit Madhav Sane: So, in the future, we will be planning to grow with the franchise of these joint pain clinics also, as well as there is a room to increase the EBITDA margins also, as we go ahead, we will explore it still further.

Vinayak Kuruva: Same continue in second question, the Rs. 6 crores what we paid is an equity value to the shareholder from whom we bought 100%, right?

Dr. Rohit Madhav Sane: Yes.

Vinayak Kuruva: Okay. So, would we expect any further investment in the company to grow this business?

Dr. Rohit Madhav Sane: Not required as of now, because now we will be integrating these clinics treatments with our existing hospitals so that the cross referral in between these clinics to the hospital as well as Madhavbaug clinics for all those joint patients who have heart diseases would be referred to Madhavbaug as well as Madhavbaug patients who have joint pains will be referred to these clinics. So, cross referral inside the clinics as well as hospitals will begin.

Vinayak Kuruva: So, my understanding is this company does not become a subsidiary as of 21st March 2026. So, current financial year, it will become subsidiary, right?

Dr. Rohit Madhav Sane: Yes.

Vinayak Kuruva: So, this revenue, consolidated revenue, Rs. 106 crores odd, which we have achieved

Dr. Rohit Madhav Sane: No, that does not have. No.

Vinayak Kuruva: Okay, great. So, sir, as a repeat question again, we are very, see, I remember 18 months back, I asked in a conference call on the accountability and I should say I am very, very happy you have enforced the accountability on respective people, whether it is CEO, whether it is CFO or whether it is Chief Marketing Officer. I wish to say that you should continue with accountability with each department because we do not want Dr. Rohit Sane to handle lot many things. Rohit Sane should be a CEO above everyone and each department head should have an accountability and we would love to know six months down the line or 12 months down the line when we have a conference call again, wherein you should come and say, okay, this particular department did very well, we rewarded them, this department's head did not do well, thus we removed them. So, we would want to see such action rigorously, religiously.

Dr. Rohit Madhav Sane: Sure. We will be doing that.

Vinayak Kuruva: So, that is all, sir. So, thank you and I am very happy to connect with you.

Dr. Rohit Madhav Sane: Thank you.

Moderator: Thank you. Next question is from the line of Keshav Harlalka from BHH Securities Private Limited. Please go ahead.

Keshav Harlalka: Hi. Thank you so much for giving me an opportunity. So, I wanted to ask about Parasnath, the acquisition of Parasnath, the addition of 70 new clinics is like music to the ears and this cross-referral will also work. So, are we also looking at treating infertility in couples who want to conceive the Ayurveda way? Right now, they are going only through IVF. So, are we also looking at infertility treatment? That is question number one. Second, question number two is we have got accreditation of NABH and CGHS. So, NABH is the National Accreditation Board for Hospitals and Healthcare Providers. It is a globally benchmark quality certification for healthcare organizations in India. So, it is focusing on rigorous patient safety, infrastructure and clinical care standards. So, that is very, very good news. So, are we also looking at better aesthetics for our clinics because the aesthetics in clinics is I think somewhat not as it can become better. So, are we looking at aesthetics in clinics and the Central Government Health Scheme which is for hospitals, we are getting it for Khopoli, that is also brilliant news because we are growing from 50 beds to 150 beds and I think, can you give us some timeline for completion of the Khopoli hospital? Will it be January 2027? Will it be March 2027? When can we expect 150 beds to be up and running in Khopoli hospital? And the third question is international ventures in Malaysia and do we also are looking at something in Dubai, any international venture, any clinics in Dubai? So, these are my three questions.

Dr. Rohit Madhav Sane: Okay. So, first of all, about the infertility clinics, yes, we are planning about having more infertility clinics. We have been discussing about it with few of the already existing doctors who have been practicing infertility. So, we have reached to a very good level where I think I should be able to speak about it in the coming maybe couple of months or so. So, that is about infertility clinics. So, the discussions are in pace, one. Second, about the NABH, all the four hospitals are now NABH approved as well as we have also applied for the CGHS for all the remaining three hospitals, as well as the fourth Khopoli hospital, we have got the NABH approval from the board, but their portal, the NABH portal for sending the patients for the OPD and IPD is still a challenge from their side. So, we are ready, we have been with the approval. So, there has been some problem with the government portal. So, they are waiting for it. I think that should open up within a month or so. And with the Khopoli hospital construction, as of now, we are on the third slab and I think in March'27, we should be ready with the 150 constructed hospital beds. So, that is about the Khopoli hospital. And Dubai, yes, we are now supposed to start with our first franchise clinic in Dubai, maybe in more couple of months, because all the government permissions are very much with us and maybe in about a month or two, we should be able to inaugurate the Dubai franchise as the first international franchise.

Keshav Harlalka: Okay. Now, you also talked about opening of a new hospital. So, where are you looking to open a new hospital and how many bedded would that be? And are you looking to expand that? Can

you talk about that? Because you talked about it in the presentation, but we do not know where it is. Can you give us some color on that? And also, my last question is, are we looking at the main board migration from SME board? Because you are already three years in the SME board.

Dr. Rohit Madhav Sane: Yes. So, the new hospital, I do not think so. The new hospital is what the new construction that we are talking about, Khopoli. So, that is not a new hospital.

Keshav Harlalka: That is not a new hospital. Got it.

Dr. Rohit Madhav Sane: No. And next about the migration to the main board, I think in next couple of months or so, we should be taking that decision and we should be going ahead for it.

Keshav Harlalka: Okay. That is all from my end. Thank you so much. Thank you, sir.

Dr. Rohit Madhav Sane: Thank you.

Moderator: Thank you. Next question is from the line of Ankur Agarwal from Murtaza LLP. Please go ahead.

Ankur Agarwal: Hi, sir. Sir, I remember in Q4 FY'25 conference call, we kind of hinted that we have everything in place now and we might grow 30% approximately. So, like from Rs. 90 crores odd, we will do maybe Rs. 115 crores, Rs. 120 crores odd in this year. Because you said that now all the things are sorted, cost structure is sorted, marketing activities are sorted on the ground. Plus, we also hired Sonu Sood, right, as a brand ambassador. So, that should give us even more leverage. But, you know, looking at the numbers currently and looking at how the industry is growing. So, sir, what is not working for us? I am just a bit skeptical because we are diluting also, we raise preferential also. So, as a minority shareholder, I do not see EPS earning per share growing that much because of, you know, dilution and because of the growth rate of the company.

Dr. Rohit Madhav Sane: According to me, growth with about 18% to 20% per year seems to be a healthy growth compared to any other competitor or some other companies. I do not think so growth can be about 100% on whatever we are doing. As I planned for 30%, yes, I am still sure about it that the growth will slowly get on to that level where you will see whatever you expected, those things would be happening. But as of now, about 18% to 20% of growth has what has happened till now. And as compared to the earlier years where we had been constant wherever we were, compared to that 18% to 20% of growth is being good as compared to the earlier years. That is what I see as of now.

Ankur Agarwal: Okay, sir. And sir, like, what is monthly patient inflow right now?

Dr. Rohit Madhav Sane: Now it is about 11,000 per month, in last about two months. So, this first quarter, first three to four months are usually the slower months. So that has been a good number now, because that will see on increasing as we go ahead.

Ankur Agarwal: So, sir, like, in Q4 FY'25, like one year back, patient inflow was confirmed as like 9,000 to 10,000 per month. So, we have had only 10%, 15% kind of a growth in patient inflow, if I am not wrong.

Dr. Rohit Madhav Sane: Yes.

Ankur Agarwal: Monthly.

Dr. Rohit Madhav Sane: Yes.

Ankur Agarwal: And, sir, these clinics that we are having, so we had 335-odd clinics in that period. And now we have 320 odd clinics. So, sir, are we facing any operational challenges in keeping the clinics profitable or running?

Dr. Rohit Madhav Sane: I will explain to you. Yes, we had done a small experiment in which we had started with non-medical franchise owners to start with the Madhavbaug clinics, wherein they would hire a doctor in over there. That total combination did not work as what we had expected. Hence, we have not gone ahead with those number of clinics. And hence, we have come back to 320.

Ankur Agarwal: Understood. And, sir, like how many patients we have converted to care plan in FY'26?

Dr. Rohit Madhav Sane: So total about, yes, we have two different categories. One is the new patient who comes down, that is about 23,000 to 24,000 of new patients who have been converted for the therapy. Plus, there are people who had been in our therapy and they have been converted into again more therapies for the next two, three years. So, they are more 5,000. So, on an average, that comes to about 28,500 to 29,000 of patients who have been converted for the year-long therapy.

Ankur Agarwal: Sir, don't you think that this is a bit concerning because conversion to care plan is falling year on year from FY'25 33,800 to FY'25 33,300 to now 28,000 to 29,000. So, sir, what could be the reason for that?

Dr. Rohit Madhav Sane: I will tell you. These care plans, what I have spoken about, this is about somewhere Rs. 45,000 to Rs. 60,000 selling care plans is what I have spoken about. If at all we talk about the diet care plans and all, we have been about 37,000 as of now. I have not considered the smaller care plans in this because the ticket size is not that worth.

Ankur Agarwal: And sir the last thing, I saw our material cost this time came out to be 18% of the revenue and it was like the same the last year. Although our revenue has increased from Rs. 90 crores to Rs. 107 crores odd. So, do you feel like somewhere customers might be feeling like they are not

getting their money's worth or are we doing more cost cutting? Like I am not able to make sense of the numbers.

Dr. Rohit Madhav Sane: I did not get your question.

Ankur Agarwal: Sir, for example, last year when we generated Rs. 90 crore of revenue, 18% was our material cost. And this time also our material cost is only 18% on Rs. 107 crores of revenue. Not 18%, I am sorry, I think Rs. 18 crores. So, our material cost has not increased although our revenue has increased.

Dr. Rohit Madhav Sane: Because that is an expense part.

Ankur Agarwal: Okay.

Dr. Rohit Madhav Sane: Material cost you mean to say, right? Or the expense part?

Ankur Agarwal: Yes.

Dr. Rohit Madhav Sane: So, that is kept in control.

Ankur Agarwal: That is kept in control. Okay. So, sir, what can we expect going forward? Like even though you are saying Rs. 160 crores, Rs. 170 crores of revenue seems possible, but then you are also saying that 20% growth is good enough. So how are we going to reach at Rs. 150 crores, Rs. 160 crores or Rs. 170 crores of revenue? Like what is the realistic figure you are seeing currently?

Dr. Rohit Madhav Sane: So, we are heading towards Rs. 160 crores, Rs. 170 crores is what we are heading towards. And whatever I see right now, like for example, in the last year or last to last year, like our social media digital engagement used to be hardly in thousands. And now it is about 1.5 lakh of followers on the Instagram as well as YouTube, about one lakh followers. Now the digital engagement is also growing. So that itself shows that the awareness about the brand has been increasing on the digital media. So that itself shows that the growth would be much more positive as we go ahead.

Ankur Agarwal: Okay. So, we are positive of doing Rs. 160 crore, Rs. 170 crores of revenue. And sir the cost structure would be similar to H2 or would it be similar to H1 going forward?

Dr. Rohit Madhav Sane: It would be somewhere in the middle of it, because the cost structure, we are very much in control with the cost structure. So, I do not think so there would be any grid. But first of all, preserving the EBITDA is going to be the most important thing, as well as increasing the EBITDA is going to be the most important plan that we are trying to put up.

Ankur Agarwal: So, we can assume like 15% kind of EBITDA in next year.

Dr. Rohit Madhav Sane: Surely.

Ankur Agarwal: Okay. All right. Thank you, sir.

Dr. Rohit Madhav Sane: Thank you.

Moderator: Thank you. Next question is from the line of Shubh, an individual investor. Please go ahead.

Shubh: Sir, I have two questions. The first question is, can you give us an explanation on the expansion of beds with the timeline? I do not know like currently what is the number of occupations. And then by which particular month or quarter, the bed capacity will increase? As you said that by next year, I think 12 to 15 months, you are saying that we will have a target to reach to 250 beds, right? So, from current capacity, which quarter we can see like where the capacity is going live? And if you can just give some commentary on that, that would be great.

Dr. Rohit Madhav Sane: Okay. What I will be looking at is till the March 2027, we will be having operational more 100 beds in the Khopoli hospital, as well as in the Nagpur hospital, we should be having about more 40 to 50 operational beds in the Nagpur hospital. So, on an average, it would be more about 140, 150 more operational beds on the existing. So that will take us to somewhere about 250 to 300 beds altogether.

Shubh: And sir what is the current occupancy rate? Is it 150 as of now?

Dr. Rohit Madhav Sane: Total occupancy, you mean to say?

Shubh: No, operational beds as of today.

Dr. Rohit Madhav Sane: Operational beds, 110, 120.

Shubh: And sir, by H1 of next year, do we see this increasing or everything will increase probably by the second half of the year only?

Dr. Rohit Madhav Sane: Second half of the year. Yes, go ahead.

Shubh: Sir, by H1 then whatever the revenue will come, it will come from the same 120, 110 beds only.

Dr. Rohit Madhav Sane: Some of the revenue will come from the new beds, no doubt about it, because even though the whole construction would be done after March 2027, but we will be planning to have some beds operational as soon as the monsoon ends for this year, because the first floor we should be able to receive, that is what has been discussed with the construction team. So post-monsoon, we should be having at least 15, 20 beds extra in the Khopoli hospital. So that beginning will already happen so that the marketing also gets planned accordingly.

Shubh: Understood, sir. My second question is on the B2C side. I think that in the last conference call, if I remember you said that there are some products that we directly sell to the patients who come for admission, right? So how many products will you sell and what are the margins where we have any plans for increasing the products or what are we doing on that side?

Dr. Rohit Madhav Sane: You mean to say the B2C product sale?

Shubh: Yes, the B2C product. I think you said something you were telling about the app, instant delivery apps, right?

Dr. Rohit Madhav Sane: Yes. So, we have only one product which we sell it through these quick commerce also, that is called as Madhavprash, which is Chavanprash for the heart ailments itself. So that is what we have been selling. Now, we sell about 15,000 to 20,000 units per month. So that is how we are going ahead with the Madhavprash sale. And yes, we are available on the quick commerce and all other commercial sites, as well as we are also looking out for partnering. The discussions are going at a very good pace and we have started with a small trial with the generic outlets also. So, the first trial should end in the next three months or so. Based on that, we will be planning to set up for more retail shops also.

Shubh: But sir, this product is manufactured in-house?

Dr. Rohit Madhav Sane: Yes.

Shubh: So, this is completely built in-house, sir? This product?

Dr. Rohit Madhav Sane: Yes.

Shubh: And sir, what is the margin in this product? What margin do we get, EBITDA margin in this product?

Dr. Rohit Madhav Sane: EBITDA margin. Right now, considering the marketing cost on the social media and all, the EBITDA is near about zero as of now. But as we go ahead, that will become cash positive.

Shubh: Got it.

Dr. Rohit Madhav Sane: It gets sold from the online media itself.

Shubh: So, we have a plan to launch more products? And by when we can have any more products?

Dr. Rohit Madhav Sane: As of now, we do have several products in pipeline, which we usually keep on using in the clinics for our patients who come down to the doctor consultation also. But as of now, for marketing on these media, we will be using this product itself. We will be trying out with other products, but that is not going to be at such a scale that we are doing with Madhavprash. Once the retail

pipeline gets built, then we will be pushing more products through that retail pipeline, because that is a bit cost-sensitive kind of thing. So, we will be going slow in pushing more products to the same pipeline.

Shubh: Got it sir. Sir, just last question. What will be the driver for, as you said, that our steady state margins will be around 20%, right? And maybe next year, we might get improvement from whatever our existing margins are. So what will be the two, three drivers that we should look out for, which will lead to this increase in margins? And sir, just a follow-up question, the CAPEX that we are doing, there are preferential round also. Can you just give the update on that also? How much has been utilized? How much is yet to be utilized? All those things.

Dr. Rohit Madhav Sane: So, zero has been utilized, because that is still in the FD. So, we have not utilized the money which has come, because that is only 25% which has come in. So that will take more about 12 months for the money to come in. So those are warrants. That is one. Second, you asked about, I forgot your question.

Shubh: EBITDA margins and growth drivers.

Dr. Rohit Madhav Sane: So, the growth drivers, one would be the new patient entry that we will be expecting in the clinics. So, the first is going to be once the new patient entries increase, obviously that will increase the number of enrollments in the year-long programs, and that will help us to reach to the level of turnover what we are expecting. Keeping the rest of the cost structure in control, I am sure that the EBITDA margin growth can be expected through this.

Shubh: It is only patient inflow. Is there anything else that is driving like in terms of

Dr. Rohit Madhav Sane: Keeping, like for the patient inflow, we will have to concentrate on the marketing efforts. Like I just mentioned, if at all we have two lakh new patients coming in, so on an average, the whole enterprise revenue for the clinics would be about Rs. 280 crores for the enterprise, out of which 40% would come to us. So that would be somewhere about Rs. 120 crore, Rs. 130 crore odd, plus Rs. 50 odd crores from the hospital. So that would be somewhere about Rs. 180 crores, is what we will be looking out for.

Shubh: What about ARPU? Increase in ARPU?

Dr. Rohit Madhav Sane: I am looking out for it, but that would be marginal 5% to 10%. So, I am not taking that into consideration as of now.

Shubh: Got it, sir. Thank you sir.

Dr. Rohit Madhav Sane: Thank you.

Moderator: Thank you. Next question is from the line of Akshat Mehta from Seven Rivers Holding. Please go ahead.

Akshat Mehta: Hello.

Dr. Rohit Madhav Sane: Yes, Akshat.

Akshat Mehta: Sir, my question, one thing that I wanted to confirm, sir, that you said that 2027 we will be having near 15% margin. Is that correct?

Dr. Rohit Madhav Sane: Yes.

Akshat Mehta: More than that, right? Because we are targeting 20% margin FY'28. So, I mean, where should we see 2027? Because 15% would be too low, and you would see a big jump in 2028. So how should we see the cycle to 20% there?

Dr. Rohit Madhav Sane: As I said, we will be growing from 15% towards 20% in this year itself. And that is doable, keeping the manpower expense in control, as well as the COGS is already well in control. Only the change would be in the marketing cost to get the expected number of new patients inside the clinics. So that is going to be the decisive factor in maintaining EBITDA.

Akshat Mehta: Okay. My second question is on some of the bookkeeping questions. One is your working capital cycle that has gone up this year. Again, your payables have come down, your inventories have increased, payables have increased slightly. So why has that gone up, and how should we see that? And secondly, on H2, we have seen a big decrease in your tax rate. So why has that happened?

Dr. Rohit Madhav Sane: Okay. So, about the inventory, usually what happens is March month is full of, the clinics also are activated about it. And hence, more amount of products are being ordered in the depot. That must have seen into the inventory increase. There is no other reason for it. Next question, I forgot about what you have asked.

Akshat Mehta: Tax rate. Why is the tax rate so low in second half?

Dr. Rohit Madhav Sane: I have no answer on this as of now. I will just check and get back to you.

Akshat Mehta: Sir, one last question, sir, if you can help us with what is the occupancy currently in each of the hospitals?

Dr. Rohit Madhav Sane: In Khopoli hospital, it is almost 90% to 100%. In the Nagpur hospital, it is somewhere about 70% to 75%, 80%. The Vizag hospital, we are about 50% or 50% to 60% odd, the Vadodara hospital, we are about 30% to 35%, 40% odd.

Akshat Mehta: Okay. Thank you, sir.

Moderator: Thank you. Ladies and gentlemen, we will take this as the last question for the day. I now hand the conference over to Dr. Rohit Madhav Sane, Chairman and Managing Director for his closing remarks. Over to you, sir.

Dr. Rohit Madhav Sane: Okay. So, I would like to thank you all for taking the time out and attending this call. I am also thankful to each member of Madhavbaug family as well as our clients, patients, banks, investors, financial institutions, and all other stakeholders. For any other queries or information, please get in touch with our investor relations team. Thank you.

Moderator: Thank you, sir. On behalf of Vaidya Sane Ayurveda Laboratories Limited, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.