



**VIJAYA
DIAGNOSTIC
CENTRE** ®

November 07, 2025

To
The Listing Department,
National Stock Exchange of India Limited
NSE Symbol: **VIJAYA**

To
The Corporate Relations Department,
BSE Limited
BSE Scrip code: **543350**

Dear Sir/Madam,

Sub: Transcript of the Earnings conference call organized on November 04, 2025

Referring to our letter dated November 04, 2025, we are enclosing herewith the Transcript of the Earnings Conference Call organized on November 04, 2025, post declaration of the Unaudited Financial Results of the Company for the second quarter and half year ended September 30, 2025.

Please take the information on your record.

Thanking you.

Yours faithfully,
For **Vijaya Diagnostic Centre Limited**

Hansraj Singh
Company Secretary & Compliance Officer
M. No. F11438

Encl.: as above



“Vijaya Diagnostic Centre Limited Q2 FY’26 Earnings Conference Call”

November 04, 2025



**MANAGEMENT: MS. SUPRITA REDDY – MANAGING DIRECTOR & CHIEF
EXECUTIVE OFFICER, VIJAYA DIAGNOSTIC CENTRE
LIMITED**

**MR. SIVARAMARAJU VEGESNA – VICE PRESIDENT
(OPERATIONS), VIJAYA DIAGNOSTIC CENTRE LIMITED**

**MR. DHIREN GALA – ASSISTANT GENERAL MANAGER
(STRATEGY & INVESTOR RELATIONS), VIJAYA
DIAGNOSTIC CENTRE LIMITED**

**MODERATOR: MR. AMEY CHALKE – JM FINANCIAL INSTITUTIONAL
SECURITIES LIMITED**

Moderator: Ladies and Gentlemen, Good Day and Welcome to Vijaya Diagnostic Q2 FY'26 Earnings Conference Call hosted by JM Financial Institutional Securities Limited.

As a reminder, all participant lines will be in 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.

I now hand the conference over to Mr. Amey Chalke from JM Financial. Thank you and over to you, sir.

Amey Chalke: Thank you. Good evening, everyone. I am Amey Chalke and on behalf of JM Financial, I would like to extend a warm welcome to all of you to the 2QFY26 Earnings Call of Vijaya Diagnostic Centre.

At the outset, I would like to thank the management of Vijaya Diagnostic for giving us an opportunity to host the call. We look forward to having an engaging and insightful discussion on the company's quarterly performance and outlook.

From the company, we have with us today, Ms. Suprita Reddy – Managing Director and Chief Executive Officer; Mr. Sivaramaraju – Vice President (Operations), and Mr. Dhiren Gala – Assistant General Manager (Strategy and Investor Relations).

With that, I will now hand over the call to the Management for their opening remarks. Over to you, ma'am.

Suprita Reddy: Thank you, Amey, for hosting the call. Good evening everyone and thank you for joining the call.

I would like to begin by sharing an Update on our “Operational and Financial Performance for the Quarter and the Half-Year ended September 30, 2025”:

The consolidated revenue for the current quarter stood at Rs.202 crores, reflecting a revenue growth rate of 10.2% year-on-year and 7.2% quarter-on-quarter. This growth was primarily driven by an 8.3% year-on-year increase in the test volume.

Our EBITDA margin for the quarter ended stood strong at 40.6%, reflecting the resilience of our business model with a minimal drag and an encouraging performance from the newly launched hub centres this year.

PAT margin was also very healthy at 21.5%.

Moving to the “Half-Yearly Performance”:

Consolidated revenue stood at INR390 crores, reflecting a healthy year-on-year growth of around 15% in line with our guidance.

EBITDA was INR155 crores, translating to a margin of 40%, while PAT stood at around INR82 crores with a margin of 21%.

Vijaya commenced Q3 FY26 on a very positive note, witnessing a notable increase in footfalls and revenue across the network.

Regarding the merger, we have received the NCLT approval order in October for Medinova Diagnostic Services Limited with the company, effective April 1, 2024.

I am also happy to share that our Yelahanka Hub Centre in Bengaluru achieved break-even within just two quarters of operation, well ahead of the projected one-year timeline. This strong performance underscores the growing demand of high-quality integrated diagnostics in the region.

Our HSR Layout hub centre is also progressing well and is on track to reach break-even ahead of the plan.

Building on this momentum, we have finalized the lease for our flagship centre at Bannerghatta, Bengaluru. This upcoming facility will feature an automated lab and advanced radiology infrastructure, including PET-CT with cardiac CT.

Moving on to “Other Expansion Update”:

I am pleased to announce the successful launch of our Hub Centre in Kasba, Kolkata during this quarter, marking a third hub centre launch in West Bengal this year. Two additional hubs in the state are on track to be commissioned in Q3 FY26.

The hubs that commenced operations in Krishna Nagar and Barasat last quarter are progressing well and are expected to achieve break-even ahead of the estimated time.

In line with our strategy to strengthen our presence across our tier-2 locations within our core markets, we have operationalized two new hub centres at Nandyal in AP and Khammam in Telangana. We have also begun to see an uptick in volumes across both existing and new centres in Pune PH over the past two months.

To conclude:

We are encouraged by the strong response to the Vijaya brand in the new markets and remain committed to expanding our network through new hubs and spokes across the regions that we operate in.

That is all from my side. I would now request the moderator to open the line for Q&A. Thank you.

Moderator: Thank you. We will now begin the question-and-answer session and whoever wishes to ask a question may press “*” and “1” on your touchtone phone. If you wish to remove yourself from the question queue you may press “*” and “2”. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue is assembled. The first question is from the line of Nancy Yadav from Allegro. Please go ahead.

Nancy Yadav: Hi ma'am. Congratulations on a great set of numbers. I just wanted to clarify a number. Could you just tell me the net debt or net cash number for September end?

Dhiren Gala: The surplus cash as at 30th September 2025 is around Rs.235 crores, excluding the deferred capital creditors' balance. The actual cash balance is around Rs.295 crores.

Nancy Yadav: Sorry, so this is excluding the ?

Dhiren Gala: Deferred capital creditors' arrangement for our capital equipment vendors.

Nancy Yadav: Understood. Thanks a lot.

Moderator: The next question is from the line of Anshul from Emkay Global. Please go ahead.

Anshul: Hi. Good evening.

Dhiren Gala: Hi, Anshul. Good evening.

Anshul: Great. First question is on our Q2 performance. While this is a seasonally strong quarter, I understand even for the industry this was slightly muted. But anything particular to call out in the current quarter why our performance has sort of dipped?

Dhiren Gala: So, Anshul, yes, entire India had a great monsoon. But what we have experienced in the regions where we are present is that because of the continuous rains, there was lower incidence of monsoon-related diseases. And that is why there was a little bit of muted growth. Secondly, a little bit of growth was also impacted during last week of September because of the festive season coming slightly early this time around. And also, thirdly, we are also looking at a higher base where last year we grew at 23% year-on-year. So, these three put together resulted in slightly lower growth this time around. Having said that, we have time and again stated that we need to look into this business from a full-

year perspective and not just the quarter. So, I think, as ma'am stated, we are looking at good increased footfalls across our network at the start of Q3. So, we are hopeful for a good Q3.

Sivaramaraju Vegesna: And just to add, Anshul, to what Dhiren said, if you actually break down the revenue and see, we still grew at a higher double-digit in radiology. So, the radiology revenue growth was about 16%. The drag actually happened in pathology because last year we had a lot of dengue and malaria-related cases, which was not the case in the current financial year. Because of the base effect and also generally monsoons are very like Q2 is very strong, but this time we did not see the fever-related testing. So, that was one reason why the growth is slightly muted. But otherwise, if you see on the radiology segment, we still grew at 16%. And the early Q3, the numbers are slightly encouraging. We are back on track as per our guidance.

Anshul: Got it. While ma'am did allude that Pune region seems to be doing well, but any insights or any color that, whether we expect quicker, faster than expected break-even just like in Bangalore or Kolkata?

Suprita Reddy: For Pune, probably I would stick to our timelines and we are little conservative there on the timelines, because it is something that we acquired. I have told you that we had a lot of cleanup that we have been doing. It was a conscious decision to make sure that we let go of certain clients because of payment issues, all the debtors, all of that, right? So, if we actually look at Pune, like I have mentioned, there is an uptick there in the last two months. It is looking positive. So, I would still give it the time that we have mentioned earlier, and we are very confident that Pune will also grow. But Bangalore, because it was a new geography, Anshul, I had said a year, and it has broken even much earlier. So, that is kind of encouraging for us to open a lot more hubs than probably what we have mentioned. So, Pune, we will stick to our guidance that I have given earlier, and Bangalore, you will be seeing a few more hubs coming in.

Anshul: Got it. Very clear. Just one last question from my end. Gross margins seem to have contracted despite radiology growth being strong on a QoQ basis. Again, could you help me understand the reason for this?

Dhiren Gala: Gross margins, if you just compare year-on-year, they have actually increased from 87.2%, I think, to around 88%, and that is largely because of the hub additions which we have done in the past one year.

Sivaramaraju Vegesna: And also, Anshul, there is slight increase in the input costs from many of the vendors, which we still did not take any price hike for that, since there is also a reduction in the GST, right? Maybe in the coming quarters, we will see the benefit again. So, yes, in the current financial year, because of the dollar fluctuation, etc., there was a slight increase in the input costs from the vendors. That is one of the reasons why you see the slight contraction from Q1 to Q2.

- Dhiren Gala:** Also, Anshul, what happened in Q2, in absolute terms, although the growth for the pathology segment was lower, in absolute terms, the pathology number is higher. So, that is why you see a little bit of contraction when you compare quarter-on-quarter, Q1 versus Q2.
- Anshul:** Got it. Very useful. Many thanks. I will rejoin the queue.
- Moderator:** The next question is from the line of Aksha from Investec Capital. Please go ahead.
- Aksha:** Hello, sir. So, I have two set of questions. One is, what has been the growth rate on an organic basis and inorganic basis? And second question is, of late we are seeing a number of players like Redcliffe, Tata 1mg launching testing packages for the GLP weight loss management program. So, any color on these? Thank you.
- Sivaramaraju Vegesna:** So, organically, whatever growth that we have 10.2% is on organic growth, right? If I have to exclude PH and see, you will see maybe 50 bps more growth if you see on a standalone basis.
- Dhiren Gala:** And on the GLP front, yes, we have been hearing a lot of reports that the impact is expected to be positive. But the magnitude of impact is something which we are yet to assess and we will kind of see how things evolve. Most of the parameters which are included in the GLP drug package, especially before the treatment are already part of few of our existing comprehensive wellness packages. So, once we hear and experience demand picking up, then we will definitely be ready with the packages exclusive for GLP for pre, during and post treatment phase.
- Suprita Reddy:** So actually, we do about close to almost over 10,000 walk-ins a day. And in the last few months with all of this going on about GLP-1, we have not seen a single request come in either from a customer walk-in or a consultant or probably a CME that would have been conducted for us from any of the endocrines or the doctors to actually say what goes into a package. So, all of these packages that we see in the market today are varied in kinds of testing. So, there is something that they have come up with. So, we would like to give it some time, understand this, get some guidance from the specialists and the clinicians and then probably look at how we would want to address this.
- Aksha:** Okay, ma'am. That was useful. Thank you.
- Moderator:** The next question is from the line of Krishna Raj from Equity Health Management Private Limited. Please go ahead.
- Krishna Raj:** Thanks for the opportunity. So, my first question was the revenue per patient of Vijaya is far higher compared to the national players. I just wanted to understand what is it Vijay is doing different than -
- Moderator:** Your line is breaking. Would you please come to the network area so that we can hear you clearly?

- Krishna Raj:** So, my question was, the revenue per patient of Vijaya is higher compared to the national players. I just wanted to know what is that Vijay is doing different from the peers that we have a higher number, and also what are the factors that would drive revenue per patient?
- Suprita Reddy:** So, Krishna, the basic fundamental difference is that we are a 95% over B2C company with a mix of both radiology and pathology in a ratio of almost 60:40, with all of our patients actually walking into our facilities. If you are saying national players, I am assuming that some of the other labs mostly do B2B samples and have B2C customer bases in their co-geographies. Because of the radiology and pathology mix and being a direct B2C-driven company the per revenue mix per patient is higher. So, that is the key differentiator here. And I am sorry I did not get your second question.
- Krishna Raj:** What would be the factor that would drive the number higher going forward?
- Dhiren Gala:** So, that will be a function of the hubs and spokes. The more number of hubs we open, definitely the advanced radiology proportion will be higher and that will lead to an increase in revenue per test and secondly, increase in realization across tests. But if you see historically, we have just done 1%-1.5% of price increase every year. So, these are the two factors which will help increase revenue per test.
- Krishna Raj:** My second question was same as the previous participant asked. So, opportunity for diagnostics do you see more number of volumes that can come in when the patent of the weight loss drugs goes in from next year?
- Sivaramaraju Vegesna:** Sorry, can you repeat, Krishna? I think, like we said, we have to wait and see, but otherwise, yes, any new change that comes will ideally be a positive for diagnostics because if somebody is undergoing a new treatment, to check the effectiveness of treatment obviously they have to undergo more testing. But to comment on the real numbers, I think we have to wait and watch for now.
- Krishna Raj:** Thank you. That is it from my side.
- Moderator:** The next question is from the line of Abdulkader Puranwala from ICICI Securities. Please go ahead.
- Abdulkader Puranwala:** My first question is with regards to the slowdown that we have witnessed in the Hyderabad market in terms of our revenues going in low single digit. So, anything to read here or this is mainly on account of the seasonality what you just spoke about?
- Sivaramaraju Vegesna:** Abdul, like we said, it is about the seasonality because if you see again within the radiology, we still grew at more than 16% at a company level. So, the slowdown happened in the pathology segment and last year in the base organically we grew at 23% where pathology was dominating because of fever-related testing which was not the case in the current year. And, like Dhiren mentioned, it specifically happened in the month of August and the last 10-days of September because of the festive season coming early. Like we said in Q4, you also have seen Q4 slightly lower than the number that

we guide, but at a year level always we are performing better than our guidance. So, that is the reason we always say we have to see this business at a year level, but we are very confident in the coming quarters we will do better than what we are guiding.

Abdulkader Puranwala: Okay. So, sir just next on your guidance, so are we holding on to the 17%-18% top line growth and EBITDA margin guidance of 38%-39% for the full year?

Dhiren Gala: Abdul, right from our IPO days our guidance has remained the same. We are comfortable guiding at 15% CAGR over the next three years. Obviously, every quarter you might see maybe we deliver 16%-17% or sometimes 14%-13% as well. But as far as our comfort is concerned we are comfortable at 15% although we have time and again stated internally the work is going on to deliver a better growth number. And in terms of EBITDA, for this financial year if you remember we guided about 38%, but because the new centres are performing well in the last quarter, we delivered about 39.2% and this at H1 level it was about 40%. So, I think more or less for the financial year we will be surpassing the guidance on the EBITDA margin.

Abdulkader Puranwala: Understood sir. Thank you. I will join back the queue.

Moderator: The next question is from the line of Deven from Marcellus Investment Managers. Please go ahead.

Deven: So, my question was regarding Pune. So, I can see the revenue has declined in this quarter despite adding four centres in the last two quarters. So, anything you can share about that? And also if you can share any numbers on how the new hub centres in Pune are ramping up?

Sivaramaraju Vegesna: So, Deven, if you see the last two quarters, yes, right, from Q4 revenue dip was actually coming down. So, if you actually see Q2, similarly the way that happened in Hyderabad, if you see Q2 of last year, Pune did really well, because again monsoon-related testing. This year in spite of pathology not growing much, because Kalyani Nagar just opened in the month of end of May and the real operation started from the month of June, like I said, full-fledged operation started from the month of June. So, this centre, like ma'am mentioned, took some time. We started seeing uptick in numbers only from the last two months. Because you are seeing quarter as a whole, yes, there is a dip of 2% in revenue, which was 5% in the last quarter, and about close to 7%-8% in Q4. So, I think, two quarters from now is when you will see the actual growth coming from Pune. But quarter-on-quarter we are getting better. Like we said, it was a conscious call that we have to clean up by letting go of few of the clients. And coming to the new centres, Ambegaon which was opened in I think early April, so, that centre, we are very confident that it will break even within less than one year...maybe it may happen by 10th month is what we feel right now. So similarly, Kalyani Nagar which started full-fledged operations in the month of June, I think by next June we are confident that it will break even.

- Deven:** Okay. Understood. And when do you plan to resume new Centre addition in Pune?
- Suprita Reddy:** Sorry?
- Deven:** When do you plan to resume new Centre addition in Pune?
- Suprita Reddy:** I would like to wait definitely on adding a few more hub centres. Spokes in fact, as we speak, I think the team is looking at certain locations and you will see certain spokes come up. But hub addition, probably will take some time. We are going to wait for both of these centres to actually settle down and only then look at adding any more hubs in Pune.
- Deven:** Okay, understood. Thank you.
- Moderator:** The next question is from the line of Hitaindra Pradhan from Maximal Capital. Please go ahead.
- Hitaindra Pradhan:** So, my question was related to the GST input that you mentioned earlier. So, are you observing any cost related to the GST reform?
- Suprita Reddy:** Mr. Pradhan, the business itself is a GST-exempt business, and on top of that, if you look at our pricing, we have always been growing only with volumes, not with an increase in price. And if you look at advanced and high-end radiology, there has not been an increase in price for over almost five to six years. So, we will have to look at this and then probably see what the impact is and then take a call. So, we are basically always saying that we would like to grow on volumes and not on price increase. So, there has not been other than a 1%-2% price increase on all of these tests, mostly related to lab over the years. So, we will definitely have to give it some time.
- Sivaramaraju Vegesna:** And like we told you, so there was a certain parameter where the input cost has gone up, but still we did not increase the pricing of the test here.
- Hitaindra Pradhan:** Okay, understood, sir. Thank you.
- Moderator:** The next question is from the line of Shivam from Elara Capital. Please go ahead.
- Shivam:** So, ma'am, I have just one question. So, basically in your opening remarks, you have mentioned that you are focusing more hubs in the Bangalore because of achieving break-even faster than the expected timeline. So, just wanted to know that have you finalized any numbers on that or how are we looking at the Bangalore market as a whole?
- Suprita Reddy:** Bangalore market as a whole, we have mentioned earlier, you will be seeing about four to five hubs in total coming, out of which, two hubs have already come up. So, you will see another three, out of which Bannerghatta has already been finalized, it is a state-of-the-art centre. It will be the flagship

centre for Bangalore with an advanced PET-CT, with a cardiac MR, it is a full-fledged centre. You will also see a couple more hubs come, and we are simultaneously looking at adding spokes also in our core geographies and in the Bangalore and the Kolkata markets as well. Overall, our guidance of the four to five hubs and ten to twelve spokes, you will see probably by this year end as guided earlier.

- Shivam:** Understood, ma'am. So, that addition will likely to be continued in FY27 also going forward?
- Suprita Reddy:** Yes. This is for the next financial year.
- Shivam:** Okay. Just one more question on my side. So, what was the CAPEX number that we are expecting for the second half of FY26?
- Dhiren Gala:** The CAPEX number would be Rs.160 crores and we have actually incurred majority of the CAPEX by H1FY26. So, that will be the CAPEX number, and then for FY27, the CAPEX is likely to be anywhere between Rs.100 to Rs.120 crores.
- Shivam:** That is it from my side. Thank you.
- Moderator:** The next question is from the line of Karan Gupta from ACMIIL. Please go ahead.
- Karan Gupta:** Yes, hi. First question is regarding the industry as a whole. We have seen the couple of quarters good growth. So, what is now the industry competitiveness -- any price cutting from the competitors to get the market share and all these things?
- Sivaramaraju Vegesna:** So, I think on the industry competitiveness, there is not much change, right? So, we are seeing different types of competition from standalone players, from pathology chains to the new-age players, right, and also the discounted players. I do not think, at least for the last three-four quarters, I would say it is status quo. So, it is similar competition that we are seeing from the markets that we are operating in. Right? And coming to the market share, etc., these numbers are something that we also get from many firms, but we are not sure about any exact number, because different research firms have different projections, right? But overall, if you see, at a country level, they say that this diagnostic market is expected to grow at 11%-13%, right and whereas we are growing slightly at 15%-17%. So, again, we will have to wait and see for these numbers because every year they publish slightly different numbers with 1%-2% here and there. But otherwise, on the competitiveness, I do not think there is much of a change that any new competition that would have come in the last four quarters.
- Karan Gupta:** Okay. Okay. And for this direct-to-customer channel, we have 93% kind of share. So, in the future, do we think that we are diluting this maybe some percentage will go to B2B side? This kind of change in its strategy to build for the market share and growth or because we are sticking with this B2C channel?

- Dhiren Gala:** No, Karan. We have been focusing on B2C. 92% is B2C. So, we do not foresee significant dilution in that proportion going forward as well.
- Karan Gupta:** Can you share of the repeat patients from the existing network hospitals, because obviously you are connected with the hospitals and they are referring to you, any metrics that you can share?
- Suprita Reddy:** Karan, we are unable to hear you. There is a lot of disturbance.
- Karan Gupta:** Any metric that we can track that the hospitals are referring the patients to you, so, repeat patients numbers or anything, obviously, the hospitals are referring patients to you guys in the B2C side, so, anything?
- Suprita Reddy:** Hospitals do not refer patients to us, Karan. A customer who is basically walking into a hospital probably decides, because in India, diagnostics is an out-of-pocket expense. The customer decides where he would like to go, pay and get his test performed. The customer who is actually undergoing the test, decides that he would like to come to us. Hospitals do not send these cases to us. The cases that the hospitals send to us are called corporate tie-ups, which we do have with 100-150 kind of bedded nursing homes and that is something that they send, that does not come in this B2C portion that we are talking about. This is a customer base where the customer is choosing to walk into one of the Vijaya Diagnostic and get his test performed.
- Karan Gupta:** Okay. Thank you.
- Moderator:** The next question is from the line of Vivek from Emkay Global. Please go ahead.
- Vivek:** Hi everyone. Good evening. I have a few set of questions. I just wanted to understand personally on the total growth front. Like you said earlier in the call that the growth outlook is looking better so far. Can you explain it in terms of the operational metrics like how do you see the volume and the realization panning out in terms of the growth when you say the growth is looking better? Is the growth uniform across the geographies where we operate or is any one particular geography driving the growth?
- Dhiren Gala:** If you look at this quarter year-on-year, the volume growth has been close to 8.2-8.3% and the realization growth has been around 1.8%. But if you look at our overall guidance or our yearly number, out of the 15% revenue, around 13% is volume growth and 1.5-2% is the realization growth.
- Sivaramaraju Vegesna:** Coming to your other question, if you basically see, significant investments are going into outside Hyderabad. While Hyderabad continues to grow, we are investing in Bangalore, Kolkata, West Bengal and Pune, you will also see the higher growth in volumes coming from these geographies, because a lot of investments are going into these markets.

Vivek: Understood. So, just in terms of these geographies, firstly, coming to the Bangalore geography, what do you see the core factors contributing to the Bangalore growth and how do you see the growth panning out in Bangalore? Firstly for Bangalore, then I will ask for other cities.

Sivaramaraju Vegesna: We just launched Bangalore six months back, so ideally for the first 1-1.5 years, obviously we would grow by volumes because there is no scope of taking any price increase in the first 1-1.5 years, because we just started our operation. So, obviously, it is the volume growth that will drive the revenue in Bangalore, and as and when we open more and more centres, you will see more growth coming from this market. Similarly in Kolkata, there was one centre, other than Medinova, there was one centre on the name of Vijaya and we just launched three more centres and we are going to launch two more centres. So, for the next at least 1-1.5 years, the growth actually will be driven by volume not by price as we are putting more and more hubs in this geography. Similarly, in Pune, after taking over PH, we just launched two hubs and 2 spokes and we are looking for a few more spokes. Even in this geography, we will not take the price route, it will be the volume route. Overall, if you see in Hyderabad as well, we are being present for more than 45-years in this market. Our concentration was never on price, it was always on the volume. So, I think in the near-term maybe like 1-2 years the growth whatever you see across these markets would be volume and not by price.

Vivek: Okay. So, just two questions on this side. Firstly, I understand realization is not what you are looking for in terms of growing your revenues, but do we see any price hike in the near-term? And secondly, just wanted to understand in terms of the break-even timelines in each of these cities right, the non-Hyderabad cities, could you throw some light on that as well?

Suprita Reddy: Any new geography, Vivek, kind of a guidance that we give on a break-even is one year because it is a new geography, it also takes a little bit of time to stabilize. These two centres have broken-even earlier, does not mean that the guidance would change, it is going to be one year. And in terms of price increase in the future, that would probably depend on a lot of things, like Siva mentioned earlier, if there is too much of impact on the input pricing because of this dollar fluctuation, then there is not going to be any other route than to probably take a slight increase. But we are waiting and holding onto that for the time being because we have always wanted to be affordable and the lowest in the markets that we operate in and in the landscape that we are in. So, we will not be able to probably give you a confirmation whether there will be an increase in pricing, we will just have to wait and watch. Also, what happens is an importing of the equipment. Sometimes there is a certain margin that we can stay around with, but if there is too much of increase in the equipment cost itself, then obviously there is going to be a little bit of differentiation in the pricing in that particular market.

Vivek: Understood. So, what you said in terms of breakeven that usually across cities, it is one year, right?

Suprita Reddy: Yes.

- Vivek:** During that time period, what is the impact on the P&L side of things in terms of whenever we launch a new centre, if you could throw some light on that?
- Sivaramaraju Vegesna:** So, it all depends on the number of centres and the geographies that we launch. Like we said, we estimated the drag for the current year because the plan is to launch 10 hub centres. We estimated a drag of 1% to 1.5%, but if you actually see because the centres are performing better than expected, the overall drag is less than 0.5% and still we are able to deliver that 40% margin. It all depends on the timing and the number of centres that we launch. But if it is like one centre per quarter, you may not see much drag on a consolidated EBITDA number.
- Vivek:** So, this drag that you say of 0.5%, this is for which period, and how many number of centres that have opened?
- Sivaramaraju Vegesna:** That is like in the last nine months, we opened close to 10 centres. All the 10 centres put together and these centres came in during different times; one centre opened in the month of May, two in June.
- Suprita Reddy:** And also irrespective of the time, Vivek, what happens is these were all hubs and not spokes and we were also basically looking at that drag because we said we will hire in advance and train, because these were all different new geographies that we will have to find and then operate and because of that also Bangalore probably took over very quickly and started doing well, because these people were already well trained in Hyderabad in one of the bigger centres. So, it depends on the number of hubs and the timing that they would open in.
- Sivaramaraju Vegesna:** And also when we talk about the break-even rate, we put rent as part of our expenditure, but EBITDA that you see on the P&L that we publish is because of the Ind AS effect, your rent is part of depreciation and interest. So, when we say there is a drag in the absolute terms, you may not see the similar drag on the EBITDA that we described.
- Vivek:** Could you please repeat the part that you said about the rent and where it is included in the P&L? I guess my voice broke in between.
- Sivaramaraju Vegesna:** According to this Ind AS 116 standard, the leases get capitalized as a long-term asset and then depreciation and interest are charged to the P&L. But when we talk about break-even of one year, we include rent as an expenditure and then we say that we have broken-even. So, let us say if the actual drag is 1% you may not see that on the EBITDA that we report, because rent is below EBITDA as per the standard.

- Vivek:** Understood. Any outlook from your end on the margin side of things for FY27? And also, I see in your presentation that you have highlighted H1 like how many hubs you are planning to launch, could you throw some light on the second half of FY 27 as well along with the outlook on margins?
- Sivaramaraju Vegesna:** Since we are going to open two more hubs... we just opened two hubs in the last month one in Nandyal and one in Khammam and we are opening two more in Q3 of FY26. Considering all that we are still confident that we will be closer to 40% EBITDA for the next half which would be anything between 39.5% to 40% EBITDA.
- Vivek:** And for FY27?
- Dhiren Gala:** For FY27 also because the overall CAPEX would be anywhere between Rs.100 to Rs.120 crores which is lower than FY26, the EBITDA margin is likely to be around 40%.
- Sivaramaraju Vegesna:** Because by that time many of the centres that we have put in the current year will break-even, so you will see a slight increase in EBITDA margin.
- Vivek:** Got it. I guess you had said this earlier, but if you could provide your projected CAPEX for FY 26?
- Dhiren Gala:** Yes, so FY26 the CAPEX for the new centres is around Rs.160 crores.
- Vivek:** This is in the second half, right?
- Dhiren Gala:** No, no, for the entire FY26. For the new centres, Rs.160 crores and I am saying that we have incurred majority of the CAPEX by H1 itself.
- Vivek:** Okay, got it. That is it from me. Thank you.
- Moderator:** The next question is from the line of Surya Patra from PhillipCapital. Please go ahead.
- Surya Patra:** So, my first question was on the growth side. So, in fact on the radiology growth this quarter we have seen around 20% growth which is really strong I believe considering the kind of national holidays, festive season what we have seen in this quarter. So, what has really helped it or do you think it is a normalized performance despite the relatively weaker season?
- Sivaramaraju Vegesna:** So, firstly the growth year-on-year is about 16%+ on the radiology and like you rightly said, yes, to certain extent the growth was impacted by the national holidays, but at the same time, if you see in the last nine months to one year, we opened more than 10 hubs and you have seen centres like Bangalore and Kolkata performing well, and like we say whenever we open or launch a new hub for the first year the revenue is generally dominated by radiology. In the first six months in fact the



advanced radiology dominates, it will be like 70% of the total revenue being contributed by that hub. In spite of a dull season, you still see the revenue growth from radiology at 16%+.

Surya Patra: Yes, got it. So, can you just clarify the kind of centre mix? See, in fact, Hyderabad it is 95, rest of Andhra and Telangana it is 33, 22 Pune, Kolkata around 7 and balance is 2?

Dhiren Gala: Kolkata is 5 at the moment. We will be opening 2 in Q3 so that will add to 7 that will be by the end of the year. Bangalore is 2 as of now.

Surya Patra: Okay, fine. So, in fact here in case of Pune, see, the revenue per centre if I see, so we have been obviously seeing a kind of a steady progress, but it is still much lower compared to the kind of a normalized revenue per centre what we have in the other places. So, is it because of the lower number of hubs that we are having in Pune and whenever that hubs will be added then subsequently the revenue per centre will improve, when we can see improvement to the normalized level and what are the triggers for that?

Sivaramaraju Vegesna: No, no, not because of that. So, Pune is an acquired asset and when we acquired Pune having three hubs, three spokes and the rest of the centres are pure collection centres. Where out of the 20+ centres that we have now, only we have five hubs, five spokes and the rest of the centres are collection centres, where all the centres contribute only 5% of Pune's revenue. So, ideally in Vijaya Centre we do not have only collection centres but since it is an acquired asset, we acquired this collection centre as part of the acquisition. So, that is the reason if you divide the revenue with the centres and see it will look like it will be lower than the company's average. But otherwise if you see Pune, if you see the old network only on the hubs and spokes is more or less in line with what we have in our core geographies.

Surya Patra: Okay. Regards Bangalore entry, so obviously that we are looking at the kind of population density of Bangalore and we have already successfully penetrated there with two centres in Bangalore. So, could you give some sense given the kind of success story what we have already built here in Hyderabad, so over a period of let us say three years, how big and how substantial or how successful this Bangalore can be for Vijaya?

Sivaramaraju Vegesna: So, Bangalore is going to be a very long-term play. So, even in Hyderabad I think we took lot of time to come. Obviously, yes, I understand considering the current bandwidth and the teams and the capital that we have and because of Bangalore giving us the right pay and there is lot of vacuum for a branded diagnostic centre. So, like ma'am said, we already finalized one flagship centre and looking for two more hubs. I think by end of FY27, which is like one, one and half year from now, from two hubs we may move to five hubs and parallelly like ma'am said we will be looking for spokes. But again even if you see our earlier conversations on Kolkata, right, when we said two – three, but we finalized about seven hubs now. As and when the opportunity, we will look out for the locations, as and when

the opportunity comes, we will be taking these properties on leases. It is sometimes about finding the right property in the right location. That also matters when you are a B2C business. So, that way if you see, it is going to be long-term plan, but at least you will see two hubs becoming five hubs by end of FY27.

Surya Patra: Okay. Can you give some sense about the competitive scenario in Bangalore, whether you are facing more competition or it is not that so if you consider your home market that is Hyderabad?

Suprita Reddy: All of the markets are competitive,... none of the markets are non-competitive, the landscape remains the same, and in Bangalore because it works like Hyderabad, you have a lot of chains, smaller localized chains that have four to six branches integrated in nature, but probably also considering the kind of traffic and chaos and the lifestyle of Bangalore itself, every region has a player and we were pretty strategic in probably choosing our locations in Bangalore. A lot of study went into how we would go to the market and which locations we would choose, where there was no 3 Tesla, there was no cardiac CT, there was some differentiation that we took. We wanted to give it some time to build out the business and that worked well and that is how we are also going to be looking at newer areas in Bangalore. All of the markets including Calcutta, there is intense competition, but we are a differentiated player, we do not keep changing what we do, we are good at what we do and that is specialized advanced radiology with pathology work.

Surya Patra: Thank you, ma'am. Just last one point regards the pathology. We have obviously seen a kind of relatively weak season against a strong season last year. Also rain was one of the factors. So, is it fair to believe that the acute season of the Q2 got shifted to Q3 and hence one should anticipate a relatively stronger Q3 than the normalized trend?

Suprita Reddy: I should say that we had a healthy season and we should be happy about it and not say I would anticipate and be optimistic about a sick season, so I am not assuming that. I am thinking we will have a normalized Q3 as usual and that is also a reason why we said we are confident about that 15% on overall year level growth. So, we should be happy that we were healthy and there is a lot more water in India.

Surya Patra: Sure, ma'am. Thank you and wish you all the best.

Moderator: The next question is from the line of Sumit Gupta from Centrum. Please go ahead.

Sumit Gupta: Hi, good evening. I just want to understand on the market share aspect in the core markets of let us say Hyderabad and how the trend has been in terms of volume share or overall market share in radiology and pathology segment?

- Sivaramaraju Vegesna:** So, Sumit, like we said, we do not have any recent reports. The reports that we are basically tracking are two years old. If you go by the reports, the numbers will not change as of now. So, we still feel that we are less than 15% of the overall Hyderabad market including hospitals, maybe if we remove hospitals then we will be slightly higher, and the other markets, we are at very nascent stage, so market share, because Kolkata we just entered, being two years, and Bangalore is a very recent entry. But we do not have any reports from the past two years either in FY24 or '25 for us to comment on the market share.
- Sumit Gupta:** Okay. But in the radiology segment we are going to be having higher market share, right, in let us say Hyderabad market?
- Sivaramaraju Vegesna:** So, again, Sumit, so basically if you see all the old reports, they go generally at a country level or a state level. Volume wise there may be a lot of difference, but in terms of revenue, if pathology is about 50-55%, radiology is considered to be 45-50% right, but whereas for us, pathology is about 65%. So ideally, in that scenario if you see our radiology share, it will be lower than pathology share for also the other reasons because in Hyderabad all the competitors if you take player number two to 10-15, everybody is integrated in nature, right? And we have few hubs with lot of spokes whereas many of the other integrated players are more in hubs where the radiology revenue dominates for them, right, and also there is lot of pricing differential in terms of radiology when you see in hospitals, because with all these factors... even though we do not have anything concrete in hand, we feel that radiology share will be slightly lower when compared to pathology.
- Sumit Gupta:** Understood. Thank you.
- Moderator:** The next question is from the line of Rishi Modi, an individual investor. Please go ahead.
- Rishi Modi:** Suprita, a few quick questions for you and then I have some for Dhiren which I will take it offline. On the Pune front, right, you just mentioned your Bangalore broke even kind of early because it was the Hyderabad team leading the operations...
- Suprita Reddy:** Sorry, I am not able to hear you now.
- Rishi Modi:** So, I was saying you mentioned in Bangalore, break-even was partly attributable to your Hyderabad team leading the operations there. Pune, from what I understand, is a newer team now. Just wanted to understand would similar Hyderabad team, be relocating to Pune or you have hired some locals and how confident are you? I am just trying to understand the dynamics.
- Suprita Reddy:** Actually, Bangalore was not a Hyderabad team moving there. Entire Bangalore team spent probably close to three months in Hyderabad getting trained to be able to handle and run that geography. So, that is also reason why in the last quarter we said, there will be a slight drag, right. When you are

opening eight to ten hubs you will also need that level of staff to be trained in your core market to be able to operate in these different geographies. So, the entire Bangalore team, even though the centres were opened within probably Yelahanka and HSR 10 days apart, the team was appointed almost four months earlier and sitting in Hyderabad actually, in one of the centres. Pune was an acquired centre and Pune saw lot of people actually go from Hyderabad to help them settle down unlike Bangalore, since it was an existing network with almost 20-plus years of legacy there. So, these are two different things. And Pune is something that we will want to probably train the existing team, we cannot move them to Hyderabad, and Pune also had a lot of business that they did on their terms when they were running it. So, now streamlining those processes, probably cleaning it up, getting certain things into place, even though we have changed the back-end ERP and all of the systems, getting the actual operational workforce to think and align to the central team takes a little bit of time. And there is a large team that actually spends time in Pune doing all of this and that is the reason why we opened two hub centres which we had guided earlier and said we will give it some time to stabilize, and once that is done we will see a lot more centres opening up. And the older centres in Pune, to grow, have capacity issues. They are all 3,000 to 4,500 square feet centres, where you will see the entire load coming in the morning because of the fasting requirements. So, there is no other way to grow the old existing centres and at the same time, I will have to add newer spokes which is what we are doing and also aligning the team to think as per the central team requirements, in fact the lab team spends a lot of time from Hyderabad and Pune even today.

Rishi Modi: Alright. So, may be a matter of two, three quarters when we start seeing some double digit growth?

Suprita Reddy: Absolutely.

Rishi Modi: Second, I wanted to understand there has been a bit of attrition at the KMP level within the group over the last year, year and a half I would say. I just wanted to understand now with some sort of I do not know, I would not call it vacuum but some space created in that KMP layer, how does that –

Suprita Reddy: Rishi, you very well know how attrition has been in every level in our industry but if you see actually the CTO is kind of unfortunate to see that he is exiting, but he comes with a lot of extensive experience in the IT industry itself. So, when he was coming in itself, even though, however vocal and transparent you are, sometimes it is their core interest. So, today I think probably he feels that AI is something that he is interested in and when intent is to learn and grow and that appetite is in their own field, then nothing much that probably I could do. So, that is definitely very unfortunate. Siva is family, so it does not matter whether he is here, Siva came in about seven, eight years back. He has played multiple roles, multiple hands, done different things. So, I do not know how I will fill Siva's vacuum but at the same time a lot of people you have been seeing at different layers and we have always told you and the team that we hire whenever we see good talent that will continue but there is a lot of mid-level and senior mid-level teams that we have built over the years. So, they are

all there. Not too much to worry about, but he is family now, that is something I cannot probably say anything.

Rishi Modi:

I understand that, but if I have to think of it this way at least till last year we had the confidence that opening 15 centres was now more of an easier job and maybe the team can move to say a 20 centre per year addition, do you think now that -

Suprita Reddy:

Rishi, probably the KMP that we are talking about were never part of the growth strategy because it is more of probably handling the operational and the IT strategy right? So, the technology bit was something that we have been time and again saying that we would like to invest and grow it and that is when we said we will bring in a CTO of that kind of caliber. So, we will continue to do that. We will bring in somebody in that position as soon as possible and that is a separate thing that we would look at. And if you say 15 centres was easy, then I would not say it was very easy then it would not be easy now also, but 15 centres is something that we are very confident about. I was hoping that probably we will get to a level where we do a little more than that. We do the spokes and the entire year of your FY25 and '26 was about adding the base of hubs and Vijaya has never seen addition of so many hubs earlier. So, once these stabilize and break-even, we will see a lot more in FY27-'28, '28-29 room, probably to see a lot more spokes coming in. And none of these departures would probably make an effect in that growth plan for sure. There is definitely talent that is required. We will continue to keep taking people, adding people irrespective of whether we have people on board. So, that should not be probably a worry for anyone to say that there is a gap there, there is a vacuum there for growth, definitely no.

Rishi Modi:

Okay, got it. That is encouraging to hear. Thanks. Dhiren, I will reach out to you offline for some numbers.

Dhiren Gala:

Sure, sure. Thank you.

Moderator:

Ladies and gentlemen, that was the last question for today. We have reached to the end of the question-and-answer session. I would now like to hand the conference over to Ms. Suprita Reddy for closing comments. Please go ahead.

Suprita Reddy:

I would like to thank everyone for attending the call. Should you need any further clarifications or any other information about the company, please feel free to reach us. Thank you.

Moderator:

On behalf of Vijaya Diagnostic and JM Financial Institutional Securities Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.