

IPO Report



## Rating

Business  
Financials  
Valuation  
Management



Ranking 1 to 5, denoting lowest to highest

Date: 12 December, 2025



**FIN2RESEARCH**  
Investment Advisor Pvt. Ltd.



Asia's Largest Dialysis Network

**NephroPlus Limited**

## IPO: NephroPlus Limited

## Sector: Healthcare

## Expected Listing Returns: Up to 10%

### Stock Info

Issue Size	Rs 871.05 Cr
Lot Size	32 Shares
Face Value (per sh.)	Rs 2
Min. Investment	Rs 14,720
Issue Price Band	Rs 438 to Rs 460
Listing At	NSE, BSE
QIB	50%
HNI	15%
Retail	35%
Sales Type	Fresh issue and Offer for sale
Fresh Issue	Rs 353.40 Cr
Offer For Sale	Rs 517.64 Cr
Issue Type	Bookbuilding IPO
BRLM	ICICI Sécurités, Ambit Private Limited; JHFL Capital Services, Nomura Financial Advisory and Securities (India)
Registrar	KFin Technologies

### IPO Timeline

Opening Date	Wed, 10 December, 2025
Closing Date	Fri, 12 December, 2025
Allotment	Mon, 15 December, 2025
Initiation of Refund	Tue, 16 December, 2025
Credit of shares	Tue, 16 December, 2025
Listing Date	Wed, 17 December, 2025

### Shareholding Pattern (Promoters)

Promoters and Promoter Group	78.90%
Public	21.10%

### Objective of Issue

- The proceeds will be used to fund capex for new dialysis clinics in India, reduce debt through prepayment or scheduled repayment of select borrowings, and support general corporate purposes.

**NephroPlus** is India's largest dialysis services provider, delivering 2.89 million treatments to 29,281 patients in FY2025 and accounting for ~10% of the country's dialysis population. With 519 clinics, including 51 overseas, it is Asia's largest and the world's fifth largest operator. Its network spans 288 cities with strong Tier-II/Tier-III penetration, supporting sustained growth.

#### Key Highlights:

- India's Largest Dialysis Network With Deep National Penetration:** Nephrocare Health Services Ltd (NephroPlus) is India's largest dialysis services provider by number of clinics, patients treated and dialysis sessions delivered. As of September 30, 2025, it operated 468 clinics across 288 cities in 21 states and 4 union territories, giving it the most extensive national footprint in the country's renal care market. This deep penetration across metros, Tier-II and Tier-III cities allows the company to access diverse demographic pools and serve patients in both developed and underserved regions. The scale of its operations serving ~29,281 patients and performing ~2.9 million dialysis sessions in FY25 makes it the dominant player in India's highly fragmented dialysis market. This scale provides strong cost advantages, high brand visibility and long-term operating leverage.
- Only Indian Dialysis Chain With a Significant International Footprint:** Nephrocare is the only Indian dialysis provider with a substantial international presence, operating 51 overseas clinics across the Philippines, Uzbekistan, and Nepal through multiple subsidiaries. It has also expanded into the Middle East via a JV with the Al Faisaliah Group in Saudi Arabia. This global footprint diversifies revenue streams and strengthens the company's position as an emerging trans-regional renal care platform. The international network also enables Nephrocare to export its cost-efficient India-based dialysis model to high-growth markets, unlocking long-term expansion opportunities beyond India.
- Strong Revenue Growth and Consistent Profitability Improvement:** The company has delivered robust financial performance over FY23–FY25, with revenue growing at ~30% CAGR from ₹4,372.95 million (FY23) to ₹7,558.12 million (FY25). Profitability has improved sharply, with Nephrocare transitioning from a loss of ₹117.89 million in FY23 to profits of ₹351.33 million in FY24 and ₹670.96 million in FY25. EBITDA has more than tripled over the same period, rising from ₹485.95 million in FY23 to ₹1,666.37 million in FY25, and EBITDA margins have expanded to ~22%, reflecting better operating efficiencies, higher volumes per clinic, and improved consumable procurement. Operational cash flow has also strengthened significantly, enhancing the company's financial flexibility.

Peers	Revenue from op. FY25 (Rs cr)	EBITDA margin (%)	PAT margin (%)	ROE (%)	FY25 PE (x)
NephroPlus	755.81	22.05	8.88	13.45	57.42
Narayana Hrudayalaya	5,482.97	28.13	14.40	24.25	45.21
Jupiter Lifeline Hospitals	1,261.54	23.51	15.34	12.33	51.10
Dr. Lal PathLabs	2,461.40	28.26	20.00	24.06	52.47
Vijaya Diagnostic Centre	681.39	39.95	21.10	19.71	73.14

### Valuation & Investment Recommendation

NephroPlus is the leading player in India's organized dialysis market with over 50% share and the only domestic operator with meaningful international presence. The company continues to grow steadily across clinics, patients, and treatments, supported by healthy EBITDA margins, while FY25 PAT was impacted only by a one-off tax item. At 57.42x PE below industry averages the valuation appears reasonable. With low debt and fresh IPO proceeds directed toward expansion, we assign a "Subscribe" recommendation.

IPO: NephroPlus Limited

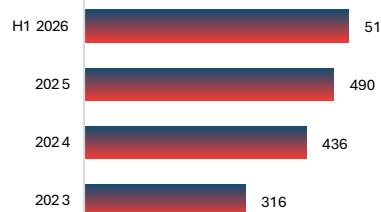
Expected Listing Returns: Up to 10%

## A Proven Dialysis Platform with Global Growth Potential

### S T R E N G T H S

#### India's Largest Dialysis Network

Nephrocure (branded NephroPlus) is India's largest dialysis service provider, operating 519 clinics (468 in India, 51 overseas) across 288 cities in 21 states and 4 UTs as of September 30, 2025. It handles ~10% of India's dialysis patient volume.

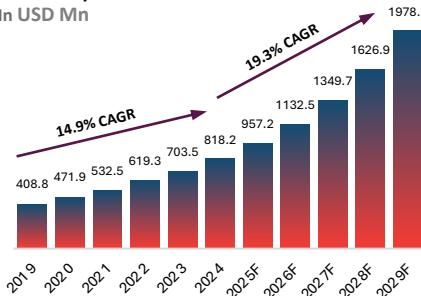


Source: RHP

The dialysis market is expanding rapidly. In India, dialysis services revenue is projected to grow at 19.3% CAGR (from \$818.2 mn in 2024 to \$1978.5 mn by 2029). The number of dialysis patients worldwide is set to rise sharply (e.g. India's patient base is expected to almost double from 0.28 mn to 0.52 mn by 2029). Nephrocure's 10% market share in India indicates room to grow.

#### Indian Dialysis Service Market

In USD Mn



Source: RHP

#### Strong Presence in Underserved Tier-II and Tier-III Markets

Nephrocure's heavy presence in Tier-II and Tier-III towns (over 77% of clinics) gives it a strong early-mover advantage in underserved, low-competition markets, supporting long-term growth and high entry barriers for rivals.

Over 77% of its clinics located in Tier-II and Tier-III regions

Over 50% share of the organized market by both treatments and revenue

Over 52% of 519 clinics are revenue-sharing model enables rapid, low-capex expansion

Only Indian dialysis provider with 51 overseas clinics across Asia and the Middle East.

#### Market Leadership in Asia – Ranked 5th Globally

Nephrocure is Asia's largest and one of the top five global dialysis providers, giving it strong brand credibility and substantial negotiating power with global suppliers. Its high treatment volumes and cost-efficient India-led model create a strong competitive moat and position the company to evolve into a leading global renal care platform.

India's largest dialysis service provider in terms of number of patients served

Largest dialysis service provider in Asia in 2025

Fifth largest globally based on the number of treatments performed

Source: RHP

### O P P O R T U N I T I E S

India's dialysis ecosystem faces a significant capacity shortfall: against an estimated requirement of over 105,000 haemodialysis machines, 10,000 clinics and 40,000 trained staff, the country currently has only about 40,000 machines, 5,000 clinics and 20,000 personnel. This translates into a structural deficit of roughly 65,000 machines and 5,000 clinics, underscoring the substantial unmet demand for dialysis infrastructure.

#### Gaps in dialysis service infrastructure and professionals in India

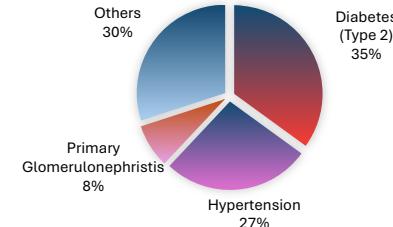


Source: RHP

Non-communicable diseases (NCDs) remain the world's biggest health burden, driving nearly 75% of global deaths. Diabetes and hypertension alone account for about 20% of global mortality and are the leading causes of Chronic Kidney Disease (CKD). With CKD often arising from these growing lifestyle diseases as well as infections, inflammation, genetic disorders and long-term medication use the incidence of kidney failure continues to rise, creating a sustained and expanding demand for dialysis services.

#### Causes attributable to CKD

Global

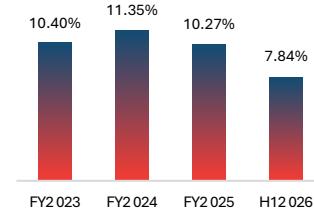


Source: RHP

### THREATS

**High Treatment Costs:** Hemodialysis remains a high-cost therapy, with each session costing ₹1,000–₹3,500, creating a substantial financial burden for patients. Limited insurance coverage and low household incomes further restrict affordability, resulting in irregular treatment adherence and a higher risk of adverse health outcomes.

#### Payment received through insurance channels in India by NephroPlus



Source: RHP

**Geographic Disparities and Accessibility Gaps:** Dialysis facilities are heavily concentrated in urban areas, leaving rural and semi-urban regions significantly underserved. As a result, patients are often forced to travel long distances for treatment, increasing their financial burden and leading to poor adherence to prescribed dialysis schedules.

**Regulatory and Market Barriers:** Complexities in regulatory approvals, delayed empanelment under government health schemes, and market concentration among a few large players hamper expansion, affordability, and innovation in dialysis services.

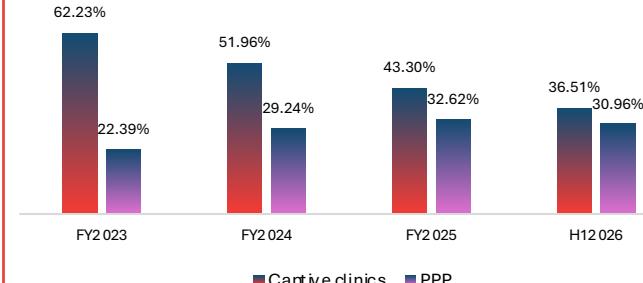
**Contractual/PPP Risks:** Under PPP or hospital partnerships, failure to meet service obligations or disputes can lead to contract termination or blacklisting. In 2014 Nephrocure was debarred for a year from Delhi tenders after a partner dispute. Future exclusions from tenders would impede growth.

### WEAKNESSES

**High Leverage:** The company carried substantial debt (₹2,070–2,434 mn FY2023–25). Net debt to EBITDA is 1.12 for the year ended September 30, 2025. Although planned repayments (via IPO) will cut this, interest costs remain a burden on margins.

**Partner/Renewal Risk:** A significant portion of clinics operates under partnerships or PPP contracts. Non-renewal of hospital partnerships or PPP tenders can sharply affect revenues. (For example, Nephrocure has seen partner hospitals start in-house units or contracts terminated, impacting revenue.) Dependency on partner hospitals for space/utilities also adds vulnerability.

#### Portion of revenue from operations from captive clinics and PPP



■ Captive clinics ■ PPP

Source: RHP

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