



Adding Smiles To Life

To,
National Stock Exchange of India Ltd.
Exchange Plaza, C 1, Block G,
Bandra - Kurla Complex,
Bandra (E),
Mumbai – 400 051.

Company Symbol: QMSMEDI

ISIN: INEOFMW01018

Sub: Transcript of Earning Call pertaining to the Financial Results for the quarter and half year ended September 30, 2023.

We enclose herewith a copy of the transcript of the Earning Call on the Unaudited Financial Results of the Company for the Second quarter and half year ended September 30, 2023 held on Monday, November 20, 2023.

The same is also being made available on the Company's website at: <https://qmsmas.com/>

Kindly take the same on your records and oblige.

Thanking you,

Yours truly,

FOR QMS MEDICAL ALLIED SERVICES LIMITED

**TORAL BHADRA
COMPANY SECRETARY AND COMPLIANCE OFFICER
MEMBERSHIP NO.: A56927
DATE: NOVEMBER 24, 2023
PLACE: MUMBAI**

QMS Medical Allied Services Ltd.

📍 1A-1B / 2A-2B, Navkala Bharati Building, Plot No. 16, Prabhat Colony, Road No. 3, Santacruz (East), Mumbai - 400 055.

☎ +91-022 - 6288 1111 🌐 www.qmsmas.com

CIN: U33309MH2017PLC299748; Email Id: mm@qmsmas.com



“QMS Medical Allied Services Limited
Q2 FY2024 Earnings Conference Call”

November 20, 2023



ANALYST: MR. BHAVIK WAGHELA – KIRIN ADVISORS PRIVATE LIMITED

**MANAGEMENT: MR. MAHESH MAKHIJA – CHAIRMAN AND MANAGING DIRECTOR – QMS MEDICAL ALLIED SERVICES LIMITED
MR. TANAY SURKUND – HEAD, DIGITAL BUSINESS - QMS MEDICAL ALLIED SERVICES LIMITED**



QMS Medical Allied Services Limited
November 20, 2023

Moderator: Ladies and gentlemen, good day and welcome to H1 and Q2 FY2024 Earnings Conference Call of QMS Medical Allied Services Limited hosted by Kirin Advisors Private Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Bhavik Waghela from Kirin Advisors. Thank you and over to you.

Bhavik Waghela: Thank you. On behalf of Kirin Advisors, I welcome you all to QMS Medical Allied Services Limited H1 FY2024 conference call. From the management side, we have Mr. Mahesh Makhija –Chairman and Managing Director. Now I hand over the call to Mr. Makhija Sir. Over to you Sir.

Mahesh Makhija: Good afternoon everybody. Thank you Waghela for the warm welcome. I appreciate the opportunity to address the distribution participants of this conference call as we gather to discuss the performance of QMS Medical Allied Services Limited during the H1 FY2024 and Q2 FY2024. It is indeed an exciting time to reflect on our achievements and milestones. Before we dive into the details of our performance let me provide you a brief over view of our company and our brief business model in case to the people who are not aware. QMS Medical Allied Services Limited stands out as a leading health care services provider in India and is deeply engaged in the provocation of preventive healthcare. Our operations are structured around two distinct verticals the marketing and distribution of medical devices, equipments and our innovative patient service programs. So let us dive into details about each vertical starting with our medical devices and equipment vertical which encompass the marketing and distribution of healthcare devices that caters to the diverse range of health care clients including clinics, pharmaceutical companies and medical institutions. Our products marketed both under the original manufacturers brand and our brand name Q devices where we have the legendary Kapil Dev as our brand ambassador. We find the way to the various end user ranging from the health care providers to patient's embracing the dual sales model of offline and online. We have a well-established distribution channel across India and have a significant e-commerce presence via Amazon and our site qmsmeds.com. Our robust portfolio of over 600 SKUs probably serve more than 130 esteemed health care enterprises customer. This highlights the synergy between our B2B as well as our B2C business model. Our current game changer is our second vertical that provides patient service program to the masses. These program provides consumer unprecedented access to specialized clinic tests across the country. They serve as a driver of a preventive healthcare amongst all the Indians and will eventually drive down the health



QMS Medical Allied Services Limited
November 20, 2023

care cost arising due to the chronic disease medication and authorization. Our team consists of highly trained technicians using USFDA approved medical devices who are located across the country and are capable of conducting specialized tests aimed at the detection of macular degeneration, diabetes mellitus, osteoporosis, and host of other disorders which would facilitate early medical interventions. We are tied up with the world renowned company such as Omron, Carzai to ensure that the international standards of testing are maintained. As we review our performance of H1 FY2024, I am happy to share that we are on a positive path, the investments and efforts we have put in our camps and Qdevices business area in the past financial years are now showing results contributing to our significant growth. We have actively pursued valuable opportunities for growth as seen in our recent acquisition which we have offered to Saarathi Healthcare Services Private Limited and Prometheus Healthcare Private Limited. These strategic moves are anticipated to strengthen our current position and provide a substantial boost for the rest of FY2024 and future. Looking ahead we are optimistic about the future encouraged by our current achievements and strategic decisions. We are confident that our ongoing success will lead to sustained growth in the times to come. Now coming to the financial highlights of Q2 FY2024 and H1 FY2024. Turning our attention to H1 FY2024 we have an impressive total revenue of 54.8 Crores up from 52.32 Crores in the H1 FY2023 underscores a substantial growth of 4.73%. The increased EBITDA of Rs.9.75 Crores shows a remarkable increase to 98.36%. Our EBITDA margin improved from 9.39 to 17.79%. The PAT of H1 FY2024 at 5.02 Crores, a remarkable 117.89% increase with a PAT margin of 9.16% signifies robust profitability. The upward trajectory of EPS from 1.53 per share in H1 FY2023 to 2.81 in H1 FY2024 is very impressive. In the Q2 FY2024, we achieved a steady growth in the key financial indicators, our total revenue increased to 28.76 Crores reflecting a year on year growth of 4.04% compared to 27.64 Crores in the Q2 FY2023. Our EBITDA showed a substantial improvement reaching 5.01 Crores a significant 63.49% increase from 3.06 Crores in the same quarter last year. This positive trend is further emphasized by the growth in the EBITDA margins rising to 17.42% from 11.09% in Q2 FY2023 marking an increase of 633 basis points. Our profit after tax also experienced a considerable upswing reaching 2.56 Crores a growth of 56.49% from 1.64 Crores in Q2 FY2023. The PAT margin increased to 8.9% from 5.92% reflecting a growth of 298 basis points. Additionally, our EPS for Q2 FY2024 stands at Rs.1.43 showing a growth of 31.1% from 1.09 in Q2 FY2023. These positive results underline our effective financial management and strategic initiatives contributing to our overall growth. Looking forward we are optimistic about sustaining this positive trajectory and building on our success in upcoming quarters. Before we move on to question and answer session, I would want to extend our heartfelt thanks to all our stakeholders for being a vital part of our growth. Your support and active participation have been instrumental in our success and we truly value your significant



QMS Medical Allied Services Limited
November 20, 2023

contribution. Now I can invite you to share any questions, thoughts you have and again thank you very much for your presence. Thank you again.

Moderator: Thank you very much. We will now begin the question and answer session. We have our first question from the line of Prakash Jaiswal from Shree Capital. Please go ahead.

Prakash Jaiswal: Thank you and congratulation for the great set of number. My first question is we have seen an impressive growth of 118% in profit in H1 FY2024 so could you please elaborate the key drivers behind the substantial growth.

Mahesh Makhija: See I have been always throughout the year I have been talking about our patient service program. A lot of capex which was invested in the patient service program now have started giving dividends so patient service program is one thing and the Qdevices model which were there. These are the two growth drivers from where the profitability has increased. Right now billing we have been doing and we have reached the billing in our patient service program of almost 1.35 to 1.5 Crores a month at this moment. The capex has been already done so it is now the revenue which are building on right now. That is the growth driver for us.

Prakash Jaiswal: Okay and Sir the EBITDA margin also growth of 840 BPS so can you discuss the strategy implanted to achieve this improvement.

Mahesh Makhija: The strategies were very simple Sir. We wanted to control as simple as that. The interest factor we wanted to control. We holded on to the business what we were doing. Last year we had a lot of issues coming up from 194R so our high value business went for a toss so we tried to hold on to our current business models that we were successful in doing that, implementation of our Qdevices products, the biggest model that went and again the patient service program so these are again the growth drivers in increasing the EBITDA also is a big factor.

Prakash Jaiswal: Okay and Sir can you please share any upcoming product launches and technology advancement in the pipeline.

Mahesh Makhija: Product launches so we have a lot of product lined up right now coming up but technology as such nothing to speak about honestly speaking. Being into healthcare space we are exposed everyday to almost N number of technologies. People come and want to partner with us. We are not the manufacturer ourselves but we get a lot of access to all this



QMS Medical Allied Services Limited
November 20, 2023

technology so till the time something concrete happens nothing great to be highlighted at this moment.

Prakash Jaiswal: Okay Sir any new acquisition on card.

Mahesh Makhija: New acquisition I have already announced Sir actually right now, Saarithi which we are working on right now, the due diligence are going on right now at this moment. We have already given a binding for that, Saarithi as well as Prometheus Healthcare. Now Saarithi basically are the pioneers in the patient service program actually so this will help us targeting the business model of the health care business actually from that angle so this is the one which we are focusing right now at least at this year right now.

Prakash Jaiswal: Okay than you Sir. I will get back in queue.

Moderator: Thank you. We have our next question from the line of Shivam Sharma from PCR Capital. Please go ahead.

Shivam Sharma: Hello Sir, so you just now talked about recent acquisitions so how do you anticipate this acquisition impacting the company's growth in FY2025 and beyond.

Mahesh Makhija: There are two factors that we have seen actually when we went into that, what value addition can we get when we take into that when we are looking for a channel partner or a new acquisition what we have. See the customer base that we have, there was only 5% common customer base and 95% was uncommon base actually that we have so that is what was more interesting and the concept and ideas which we were doing these guys were not doing so obviously we except that taking those ideas to them and helping us reach to new customers through our new acquisition partners will help us increase the business because 90% of the customers that they do work with business we do not work with specifically into the B2B.

Shivam Sharma: Okay Sir thank you. So my next question was can you provide insights into the company's marketing initiatives that contribute to brand recognition and growth.

Mahesh Makhija: See marketing initiatives as I told you from Qdevices point of view we have the legendary Kapil Dev as the brand ambassador, a lot of media ad goes around that and we do a lot of Facebook activities on that. We are on the social medial platform for these activities. We conduct a lot of service program across the industry at this moment so at least twice in a year we are doing a lot of program for the pharma industry actually so that is going on and



QMS Medical Allied Services Limited
November 20, 2023

on for that and in person my team is regularly in touch with customers directly on a day to day basis so we have both the mark as well as direct marketing initiatives both happening together.

- Shivam Sharma:** Okay Sir thank you for answering my questions.
- Moderator:** Thank you. We have our next question from the line of Chinmayee Rane from Kojin Finvest. Please go ahead.
- Chinmayee Rane:** Sir just wanted to understand what is the contribution from our own brand and the product which we market for the other company.
- Mahesh Makhija:** Other company out of the 100 odd Crores that we are doing in trading 95% of the business comes from other product at least 5% is coming from our own brand.
- Chinmayee Rane:** What will be our strategy to increase our own brand.
- Mahesh Makhija:** See it will take time. Over nightly it is not going to happen. These brands are all big brands, big companies. We are only going on the online platform and the B2B platform at this movement that is the strategy that we have.
- Chinmayee Rane:** Okay I just wanted to understand like when we supply this medical equipment so how is the contract is it yearly contract or it is periodic contract how is the contract basically.
- Mahesh Makhija:** These are all purchase orders which we get actually and we give these purchase orders and we complete these deliveries based on the quantum of the amount that we receive, I mean the number of units that we receive so these are all purchase orders basis. These are not yearly contracts. This momentarily contract maybe one month I have to deliver 5000 units, 10,000 units through a particular company or a particular hospital in some particular time so these are single orders. In the product category we have not seen a yearly contract happening. Yes the yearly contract happens in the service industry point of view where we conduct a lot of camps throughout the year, but in the product category we do not have the yearly contracts happening.
- Chinmayee Rane:** But then there are likely chances of repetitive order coming and how often that happens.
- Mahesh Makhija:** We do get. We have seen a lot of that happening right now.
- Chinmayee Rane:** Okay how often that happens.



QMS Medical Allied Services Limited
November 20, 2023

- Mahesh Makhija:** I can say that at least 10% to 15% of the time these orders get repeated actually.
- Chinmayee Rane:** Sir with regards to camp and all how is your talent pool is employed what is your staff employed in this particular vertical.
- Mahesh Makhija:** We have a total staff strength basically for conducting camps. On the pay roll we have our own people who are doing these camps so we have almost 110 people right now at this moment and that is increasing and 90 people are on our own payroll now out of that 90 people breakup individually I could say 15 people are in hardcore sales then there is account teams, there is a godown team, there is a dietitian team based on that so this is the breakup that we have. If we consider Lanset, Dolson and our own people so we have almost 200 plus right now.
- Chinmayee Rane:** And what kind of profitability we earn while conducting this camp.
- Mahesh Makhija:** We have a decent profitability. We have been sharing the details right now. I have just announced all those things so it is a decent profitability, very high profitability happening in the camps business that is where our growth drivers are coming in right now.
- Chinmayee Rane:** So the focus will be going forward on the camp business.
- Mahesh Makhija:** See there definitely going to be a focus but that does not mean that we do not defocus on our current product business that is almost 100 Crores product business, we cannot defocus ourselves on that so the focus is going to be there on this also. From a profitability driving point of view, high increase, high profitable business model point of view it is giving it so that patient service program are definitely going to be a growth driver for us and we have little more focus on that but that does not mean that we will not focus on our current business and all that. The growth comes from maintaining and growing steadily. The traditional business, basically it is a training business model so training business model gives a less percentile. Our service business model gives a higher percentile of margins actually so it is as simple as that one.
- Chinmayee Rane:** Okay and Sir are we giving the scan services in the medical camps and certificate program is that happening in pan India.
- Mahesh Makhija:** Pan India. When I told you 110 people who are conducting the camps. They are across the country madam.



QMS Medical Allied Services Limited
November 20, 2023

- Chinmayee Rane:** Okay and for that do we need to tie up with a hospital.
- Mahesh Makhija:** No we have not tied up with the hospital, we are basically going and doing at the camps at the doctor's clinic only madam directly. If it being requested by hospital because normally a lot of the steps are happening in the hospitals also on their own so they would not like to pass that. They would not require our support for that actually.
- Chinmayee Rane:** Okay Sir. Thank you and I will come back in the queue.
- Moderator:** Thank you. We have a next question from the line of Ananya Swaminathan from Cquest. Please go ahead.
- Ananya Swaminathan:** Hi Sir. Could you specify contribution from different business verticals and what could be the future focus area.
- Mahesh Makhija:** We have just been telling you the focus is definitely going to be on our patient service program and the acquisition which we have done right now at this moment. The contribution right now if I say for my first year business model right now of almost 54.8 Crores where we have done revenue wise so our patient service program model roughly we would be doing almost around 9 odd Crores at this moment out of the 54.8 and the balance is probably on the product business and if you want me to give a product category between Qdevices and all so Qdevices contributes at this moment around 5 to 6% of our own brand sales.
- Ananya Swaminathan:** Okay alright and are there any plans for strategic alliances or any collaboration in near future.
- Mahesh Makhija:** See at this moment what we have in our hand let us complete with that and establish this and then think of something else at this moment.
- Ananya Swaminathan:** Okay alright like in this area of digital transformation what steps are you taking to leverage technology.
- Tanay Surkund:** Hello, my name is Tanay Surkund. I am the head of digital business for QMS. So we are actually leveraging technologies in multiple ways of course e-commerce is one way that we are going about it, also we are using technology for scheduling our camp for resource allocation. Any of our clients wants to book camps for their patients they do not have to go through a laborious process and our backend team does not have to work on paper,



QMS Medical Allied Services Limited
November 20, 2023

everything is digitized, everything is quick automated. We have lot of intelligence working on our technology in the back end and also very smooth operational functioning so we can maintain very high service level standards when it comes to our service portfolio as well as with our product portfolio and our product portfolio also if there is any customer complaints and if anything has come through our leveraging technology ensures that we are able to act on those complaints and act on those feedbacks proactively.

Ananya Swaminathan: Alright Sir and what are your revenue targets for five years down the line.

Mahesh Makhija: With due respect grow very decently, averagely around 15 to 20% every year that is the number that we have kept in our mind.

Ananya Swaminathan: Okay and how do you plan to stay innovative and competitive in the market.

Mahesh Makhija: See innovative definitely from the product point of view since being the largest distribution channel that we have in the industry a lot of international brands do come to us. We have tie ups with IIT they give us a lot of innovative products from that point of view. Services point of view as I have said we have acquired company. We sit back. We make developed innovative program actually on our own and as per the customer needs we give them the service on that. It is like being in front of the customer always, listening to them you always get a good idea and good solution from them itself. You just have to listen to them.

Ananya Swaminathan: Right and what are your steps to increase QMS brand. How much do you intend to spend on it.

Mahesh Makhija: Brand value increase madam bottom line at this moment we just want to go on focusing on getting good results at the moment that is the top priority at this moment. From commercializing Qdevices where we have a brand ambassador in place for that, that digital marketing team is already working on that but otherwise the other option it is just by giving good results. I am sure if you have a good performance people will always have a good brand value of our own that will automatically speak in its own way.

Ananya Swaminathan: Right and one last question can you name your top five clients and contribution from them.

Mahesh Makhija: Madam that is difficult but I can tell you we work with all the top 20 pharmaceutical companies in this country.

Ananya Swaminathan: Okay Sir that is it. Thank you.



QMS Medical Allied Services Limited
November 20, 2023

- Moderator:** Thank you. We have our next question from the line of Vaibhav Shah from Kojin Finvest. Please go ahead.
- Vaibhav Shah:** So first of all thanks for the opportunity and all the best and congrats on good set of number. Most of my questions are answered. I have few things related to your numbers and the recent acquisition. So on the number we have seen a growth of around 800 points BPS in EBITDA in H1 and around 600% BPS growth in EBITDA in Q2 result so what is the sustainable margin that we can maintain so we are somewhere around 17 to 18% at EBITDA level so is this maintainable or is there any scope of improvement or we can still improve the margins compared to the last year.
- Mahesh Makhija:** We will try to improve this margin that goes definitely without saying and right now you are seeing is definitely maintainable.
- Vaibhav Shah:** For the recent acquisition that we have announced for Saarathi and Prometheus so what was the consideration that we have given to them. It is a cash deal or some sort of share swap or anything.
- Mahesh Makhija:** It is hard cash out purchase from them. There has been no share swap or anything.
- Vaibhav Shah:** Okay so what was the consideration amount.
- Mahesh Makhija:** That we have already uploaded on the website actually. We have already uploaded on the NSE website already.
- Vaibhav Shah:** Okay and the management of that company will continue to work in that.
- Mahesh Makhija:** They are going to continue working with us. They are going to work with us. At least till 2026 June they have a contract of working with us.
- Vaibhav Shah:** Okay that is great and Sir coming on the camp business as you mentioned you have started to utilize it higher so what is the current camps daily we are doing it and how much new capacity or new additions space we have.
- Mahesh Makhija:** I will tell you it is a beautiful question. I will tell you we are doing right now offline, online combining we are doing almost 75 camps a day right now at this moment. Now 75 camps per day and this is just right now with only 25% of my capacity and we will not be able to utilize more that 65 to 70% of the capacity. Our goal has to be capped till that time only. You cannot take it 100% but it will only be up to 65 to 70% of that.



QMS Medical Allied Services Limited
November 20, 2023

- Vaibhav Shah:** Okay so currently we are operating in how much cities for the camp.
- Mahesh Makhija:** City we have 65 cities, 200 plus locations we have there.
- Vaibhav Shah:** Okay and what is the average cost for one resource in terms of the equipment as well as their monthly salaries and all that.
- Mahesh Makhija:** Beautiful question, see the capex has been done already for this. We have brought all the machines. A diabetic retinopathy machine will cost you almost anything between 5 lakhs to 8 lakhs, a BMD machine will cost you almost around 5 lakhs to 8 lakhs again. On an average my person carries 15 to 16 lakhs worth of equipment and the average cost of conducting is monthly salary is almost Rs.35,000 a month so that is how it works out actually.
- Vaibhav Shah:** So whichever the capital investment you need how many camps on an average to recover the capital investment of around 15 to 16 lakhs.
- Mahesh Makhija:** See 15 to 16 lakhs can be recovered in a year's time Sir if you do at what we are doing right now. So it depends upon now whether you want to one make it one year recovery model or you want to make it a three year recovery or a five year recovery model. It depends upon how you want to show it across.
- Vaibhav Shah:** Okay and the life span of this equipment will be.
- Mahesh Makhija:** Six or seven years Sir.
- Vaibhav Shah:** Okay so on an average one and half two years that we can assume that it will be capex driven and then only the equipment will be available for next five years also.
- Mahesh Makhija:** Yes easily.
- Vaibhav Shah:** Sir currently we are at 65 cities around 200 locations so what is our plan in this vertical to grow.
- Mahesh Makhija:** The first thing that we did right now we are planing to increase 18 people more actually in different locations at this moment. We are working out. We are working on a model of what more additional tests that our team can do actually, the medical team back end is sitting at working on that at this moment so by January we should have a clear idea and with Saarathi's team coming into play after January so we will be sitting and talking with them



QMS Medical Allied Services Limited
November 20, 2023

also. We have already started talking informally but formally we will be sitting and talking after January.

Vaibhav Shah: So FY2024 we can assume the whole year we will be having camp revenue.

Mahesh Makhija: Absolutely Sir. FY2024 this year onwards April onwards we have started getting revenue in camps already Sir so whole year we will be having this revenue and this is the base model. It is going to go ahead into insurance segment. It is going into consumer segment and lot of things are opening up actually for that.

Vaibhav Shah: So I heard you said insurance segment so we will be partnering with the insurance company for the camps or how is it.

Mahesh Makhija: Both ways the dexterity of the models I cannot disclose it out right here right now, both ways but.

Vaibhav Shah: Okay just last one or two questions regarding to this only so going forward which vertical will be the highest device marketing or camps.

Mahesh Makhija: See as I keep repeatedly telling you we cannot discourage or derisk my device business is 100 Crores plus business and it is a traditional business it will keep on growing at a steady phase and with a steady margin which is there but if you look at the EBITDA which you are looking and which we are proudly talking which is not going to come from the trading business. It is going to definitely come from my service businesses only so to have a healthy balance of both is important actually. I will definitely not ignore my 24 years of equipment business justice will be done for both Sir.

Vaibhav Shah: Definitely it is always better to stick to the root it is always a great thing.

Mahesh Makhija: Absolutely Sir growth comes by maintaining what we have and adding up something more which is going to come so from a business point of view the EBITDA that we are growing and we know it is a profitable healthy business the traditional trading business so if it is 100 Crores business and if it gives a margin of at least 9 Crores, 10 Crores and all it does definably takes care a lot of other overhead.

Vaibhav Shah: Correct Sir definitely and one last question for H1 and Q2 what was the breakup between the camp.

Mahesh Makhija: Out of the 54 Crores camp business was roughly around 9 Crores.



QMS Medical Allied Services Limited
November 20, 2023

- Vaibhav Shah:** Okay and in terms of EBITDA what was the camp EBITDA if you can just tell.
- Mahesh Makhija:** I do not have it off hand with me right now. Can you give me your number I can just share that with you.
- Vaibhav Shah:** Sure I will drop you an e-mail.
- Mahesh Makhija:** I will send you that.
- Vaibhav Shah:** I will get in touch with you IR team also.
- Mahesh Makhija:** Anytime please no issues Sir.
- Vaibhav Shah:** Thank you so much Sir all the best for the future.
- Moderator:** Thank you. We have our next question from the line of Sandip Mandal an Individual Investor. Please go ahead.
- Sandip Mandal:** Most of my questions are already answered. Like you said PSP is game changer and it draws currently 6 to 7% from current revenue if you calculate so my question is that where do you see this percentage of revenue share going forward say next two, three years and what kind of EBITDA margin it is going to give.
- Mahesh Makhija:** See EBITDA margins are going to be same out here or slightly better as I said but what we are trying to increase is we are trying to look as the patient service program along with Saarathi we are trying to look at doubling the numbers actually what we are doing right now at this moment. Okay so that is the game area within the next three years, next two years itself we want to cross 50 Crores of service business. This year itself we will be closing roughly around 14 to 15 Crores approximately in service business. We need to double it with Saarathi and grow after Saarathi comes into the picture so that is where our focus areas are going to be.
- Sandip Mandal:** Okay thank you Sir and next question is regarding Saarathi only, I mean last year revenue was 60 Crores so my question is how much operating margin is there.
- Mahesh Makhija:** That 60 Crores of business we will consider that was again the trading and all which they have stopped this year onwards actually so this year the hardcore service business is what they are focusing is almost around 15 odd Crores with a PAT of approximately, I do not



QMS Medical Allied Services Limited
November 20, 2023

have the numbers off hand but I am just giving you a ballpark figures. It is around 5 Crores odd absolutely.

Sandip Mandal: Okay that is fine ballpark figure so my next question is how the acquisition funded like internal accrual.

Mahesh Makhija: It is going to be part of internal accrual, part of funding from the bank and may be if our board approves for a capital increase we have applied in the NSE also so if it happens we may come with certain ways and means of that. Our motto is going to be internal accrual and through bank.

Sandip Mandal: And Sir do you have other plans for partner acquisition.

Mahesh Makhija: Sir one thing at a time so let us take this in our hand, complete this, put it in track and then think of how to work again.

Sandip Mandal: In the same line do you have opinion that we should be console and not fundamental.

Mahesh Makhija: Absolutely Sir, absolutely you are right. It does not make sense, hai to dal do, first let us see how things are happening, let us consolidate what we have in our hands and then move ahead after that so at least in one year we will take thing basically being in this industry and being a part of it so at least next one full year will be into consolidating and growing this business along with Saarathi together actually so another acquisition at this moment is not on our mind at this moment Sir.

Sandip Mandal: Thank you Sir for answering for the question and best of luck for future endeavors and if I have further questions I will send it across.

Mahesh Makhija: Please drop us e-mail anytime Sir.

Moderator: As there are no further questions I would now like to hand the call to Mr. Bhavik Waghela from Kirin Advisors for closing comments. Over to you.

Bhavik Waghela: Thanks for joining the conference call of QMS Medical Allied Services Limited. If you have any queries you can write us at info@kirinadvisors.com. Once again thank you everyone for joining the conference call.

Moderator: Thank you. On behalf of Kirin Advisors, that concludes this conference. Thank you for joining us and you may now disconnect your lines.