

Date of submission: 13th November 2023

To, The Secretary Listing Department BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code – 539551	To, The Secretary Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Mumbai – 400 051 Scrip Code- NH
---	---

Dear Sir/Madam,

Sub: Investor Presentation for the quarter and half year ended 30th September 2023

With reference to the subject, please find enclosed Investor Presentation for the quarter and half year ended 30th September 2023.

Kindly take the above information on record.

Thanking you

Yours faithfully
For **Narayana Hrudayalaya Limited**

Sridhar S.
Group Company Secretary, Legal & Compliance Officer

Encl.: as above



Earnings Update

Q2 FY24



Index

Topic	Slide No.
Narayana Health at a Glance	03
Q2 FY24 Highlights	05
Capex	13
Shareholding Pattern	17
NHIC	14
Digital Transformation Initiatives	15
Narayana Health ESG Vision – “Health For All”	16



Our Footprint

As on 1st October 2023



South

Hospitals - 6 | Heart centres - 3 | Clinics - 11
Operational beds - 2,146 (Hospitals)
- 187 (Heart centres)

East

Hospitals - 7 | Clinics - 4 | Dialysis centre - 1
Operational beds - 1,871

North

Hospitals - 4 | Clinics - 1
Operational beds: 1,156

West

Hospitals - 2
Operational beds - 351



Narayana Health – At Glance

Facility Details	No. of Facilities	Operational Beds
Owned / Operated Hospitals ⁽¹⁾	18	5,346
Managed Hospitals ⁽²⁾	1	178
Heart Centres	3	187
Clinics and Dialysis Center	17	0
Cayman Islands	1	110
Healthcare Facilities	40	5,821



6,096

Capacity Beds



4.3 mn⁽³⁾

Average Effective Capital Cost per Operational Bed



100+

Clinical Specialty & Sub-Specialty



18,754

Full-time Employees & Associates including doctors



4,080

Doctors

(1) Owns the P&L responsibility

(2) Manages 3rd party hospitals for Management Fees

(3) Based on (Gross Block for Fixed Assets (adjusted for non-cash government grant provision impact, non-cash financial lease impact for Dharamshila unit, non-cash EPCG license impact) + Capital Work in Progress (CWIP)) / Number of operational beds as of September 30th 2023 but excluding Managed Hospitals and Cayman facility



Key Highlights – Operational & Financial Performance (Q2 FY24)



Clinical & Operational

- **Narayana Health** is the first healthcare group in India and the 6th Globally, to be awarded Joint Commission International (JCI) Enterprise Accreditation. 8 of our hospitals were accredited with JCI accreditation
- **Narayana Institute of Cardiac Sciences (NICS), Bengaluru** successfully performed 22 Robotic Adult Cardiac Surgeries
- **Mazumdar Shaw Medical Centre (MSMC), Bengaluru** successfully performed 5 complex microsurgical Limb re-attachment procedures during the quarter
- **Rabindranath Tagore International Institute of Cardiac Sciences (RTIICS), Kolkata** performed cutting-edge & complex clinical procedures in the Oncology and Renal sciences segments such as
 - Redo VATS Resection Surgery on a 3-year-old for Pleuro-Pulmonary Blastoma Type-III
 - Robotic Renal Transplant on an obese patient with a BMI of 36.2; patient discharged within 9 days of surgery
- **Narayana Multispeciality Hospital, Ahmedabad** successfully performed CRS (Cytoreductive Surgery) for CA Ovary on a 49-year-old
- **Narayana Onco** continued to witness strong momentum in Bone Marrow Transplants and achieved over 100 during the quarter



Financial Performance

- Consolidated operating revenues of **INR 13,052 mn** in Q2 FY24, an increase of 14.3% YoY and 5.8% QoQ
- Consolidated EBITDA of **INR 3,265 mn** in Q2 FY24 translating into EBITDA margin of 25.0% and consolidated PAT of **INR 2,267 mn** at a PAT margin of 17.4%
- Consolidated Total Borrowings less Cash, Bank Balance and Current Investments was **INR 863 mn** as on 30th September, 2023 i.e., net debt to equity ratio of **0.03** (out of which, debt worth **US\$ 52 mn** is foreign currency denominated)

(1) As per the accounting treatment for leases per IND AS 116 effective 1st April 2019 which resulted in INR 112 mn increase in EBITDA for Q2 FY24

(2) As per the accounting treatment for leases per IND AS 116 effective 1st April 2019 which resulted in INR 8 mn decrease in PAT for Q2 FY24



Narayana Health achieves Guinness World Record



Bengaluru, September 22, 2023: Narayana Health made history by conducting the highest number of electrocardiograms - **3797 ECGs** in a single day at a single place. The record-breaking attempt took place on September 21 at Narayana Health City, Bommasandra, Bengaluru. This remarkable feat has earned Narayana Health a coveted spot in the prestigious Guinness World Records, solidifying its commitment to advancing healthcare excellence.

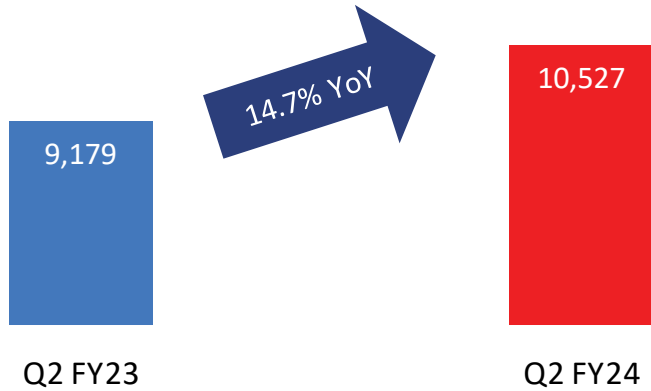
The attempt was made with the sole objective of creating awareness about health screening and the importance of regular check-ups to prevent heart diseases. With this accomplishment, we have set a new standard in cardiac care.

The event not only highlighted Narayana Health's technical expertise but also its dedication to making quality healthcare accessible to all. ECGs are vital tools in diagnosing cardiac conditions, and this record-breaking endeavor underscores the hospital's commitment to early detection and intervention, ultimately saving lives.

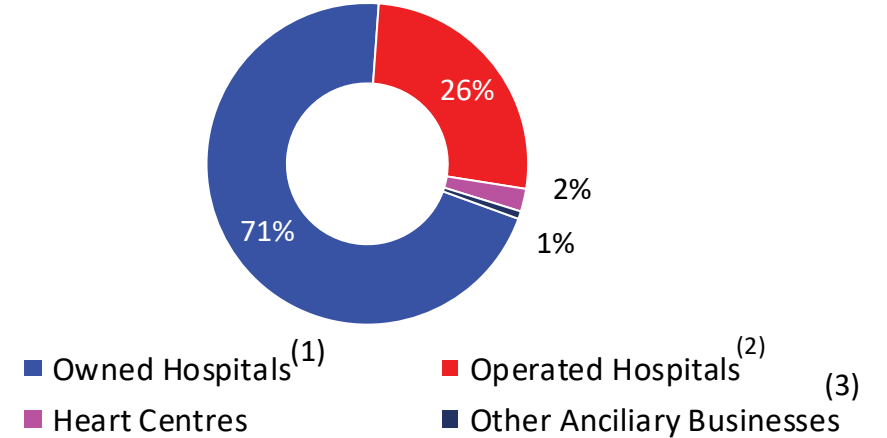


Revenue Mix – India (Q2 FY24)

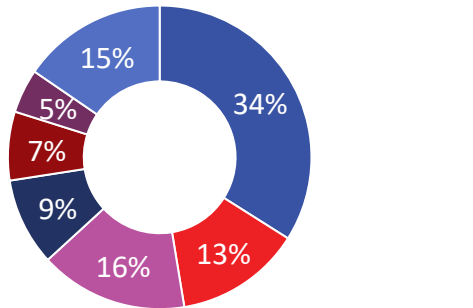
Operating Revenues (INR mn)



Business Mix⁽⁷⁾

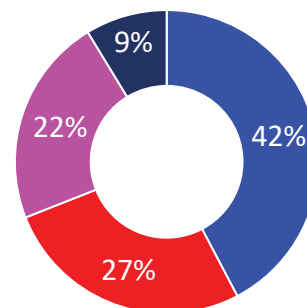


Specialty-Profile^(4,7)



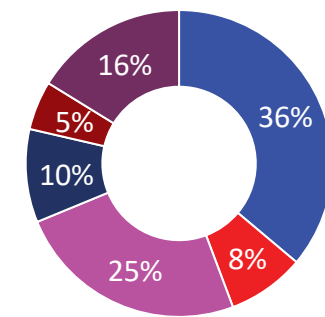
- Cardiac Sciences
- Gastro Sciences
- Oncology
- Renal Sciences
- Neuro Sciences
- Orthopaedics
- Others

Payor-Profile^(4,7)



- Domestic Walk-in patients
- Insured Patients⁽⁵⁾
- Schemes⁽⁵⁾
- International patients

Cluster-Wise^(6,7)



- Bangalore
- Southern Peripheral
- Kolkata
- Eastern Peripheral
- Western
- Northern

(1) NH owns on freehold basis and operates with the P&L responsibility

(2) NH operates the hospitals on rental/revenue sharing basis and owns the P&L responsibility

(3) Includes managed hospital, clinics, learning and development, teleradiology, etc

(4) As percentage of operating revenue, excluding NHIC

(5) Insured Patients include Insurance-covered patients, corporate patients (including public sector undertakings); Schemes include CGHS, ESIS, other state government schemes

(6) Calculated on operating revenue of owned / operated hospitals, heart centres and other ancillary business

(7) Percentages might not add up to 100% due to rounding off

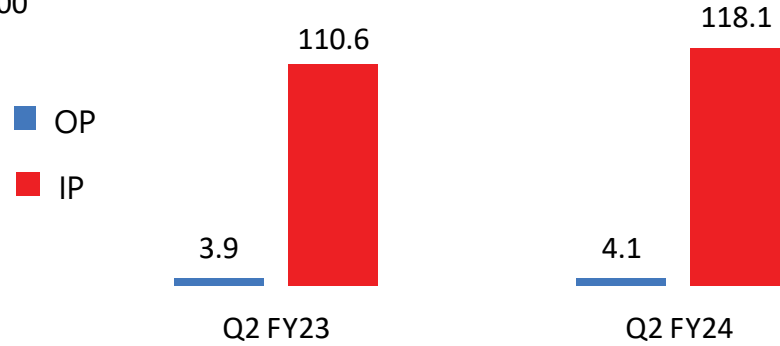


Operational Review – India

Excludes Managed Hospitals

Average Revenue Per Patient (IP & OP) ^(1,2)

INR '000



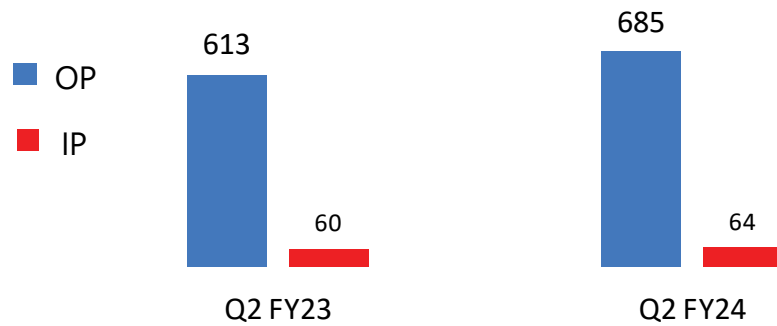
ALOS

Days



Patient Footfalls (IP & OP) ^(1,3)

'000



ICU Occupied Bed Days ⁽⁴⁾

'000



(1) OP figures include day-care business but does not include Vaccine footfalls

(2) ARPOB for the period Q2 FY24 was INR 13.4 mn as against INR 12.1 mn in Q2 FY23.

(3) Footfalls for IP correspond to Discharges

(4) Includes critical care and step-down care beds



Regional Split – India (Q2 FY24)

This considers owned/operated hospitals in India (excl. Jammu ⁽¹⁾)

Regions	Bangalore	Southern Peripheral	Kolkata	Eastern Peripheral	Western	Northern
	<ul style="list-style-type: none"> NICS MSMC HSR 	<ul style="list-style-type: none"> Mysore Shimoga 	<ul style="list-style-type: none"> RTIICS Barasat NMH NSH 	<ul style="list-style-type: none"> Jamshedpur Guwahati Raipur 	<ul style="list-style-type: none"> Mumbai Ahmedabad 	<ul style="list-style-type: none"> Gurugram New Delhi Jaipur
% of Hospital Operating Revenues	38%	6%	26%	11%	5%	14%
YoY Revenue Growth	21%	12%	14%	23%	13%	11%
YoY Hospital Discharges Growth	14%	6%	7%	14%	8%	3%
ARPOB (INR mn)	17.1	10.5	13.6	10.3	11.3	15.1

(1) Jammu facility reported operational revenues of INR 313mn and EBITDA of INR (1.4) mn in Q2 FY 24

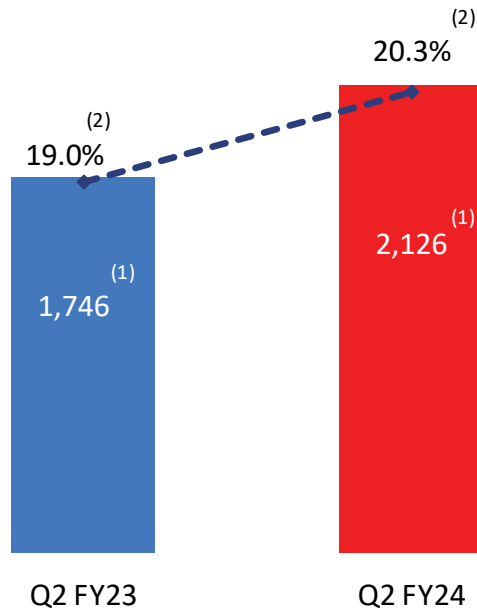


Profitability Snapshot – India (Q2 FY24)

Excludes Managed Hospitals

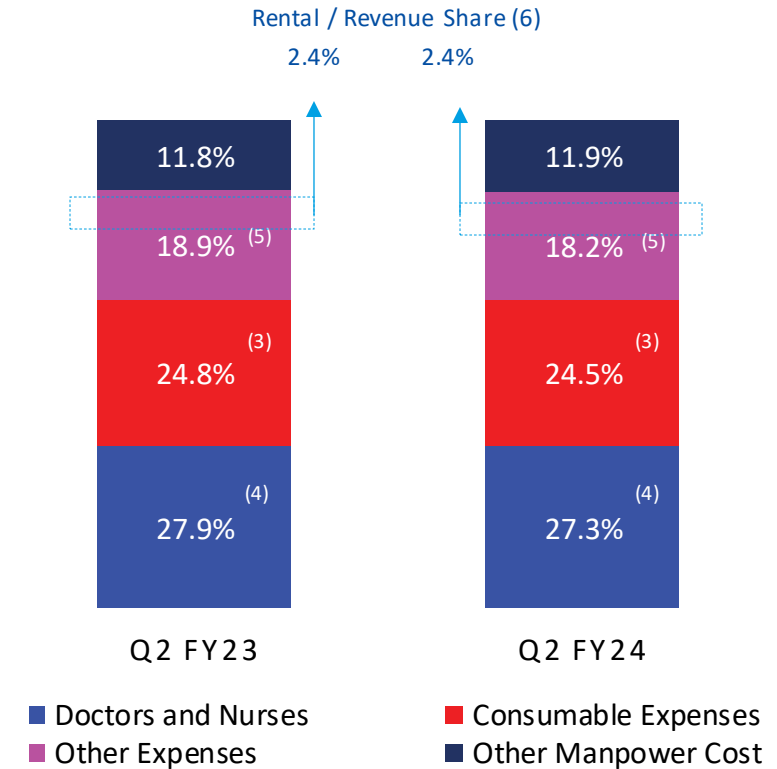
EBITDA and EBITDA Margin

INR 'mn



Cost Structure

% of Operating Revenues



(1) Denotes EBITDA for entire India business excluding NHIC & NHIL. EBITDA for Q2 FY24 including NHIC & NHIL stood at INR 2,062 mn
 (2) Denotes EBITDA margin for entire India business excluding NHIC & NHIL. EBITDA margin for Q2 FY24 including NHIC & NHIL stood at 19.6%

(3) Consumable Expenses = Purchase of medical consumables, drugs and surgical equipment net of changes in inventories of medical consumables, drugs and surgical equipment
 (4) Doctors and Nurses = Employee benefits + Professional fees to doctors
 (5) Other Expenses = Overhead expenses + All other expenses
 (6) Effect of IND AS benefits is not considered



Operational Review – Cayman Islands

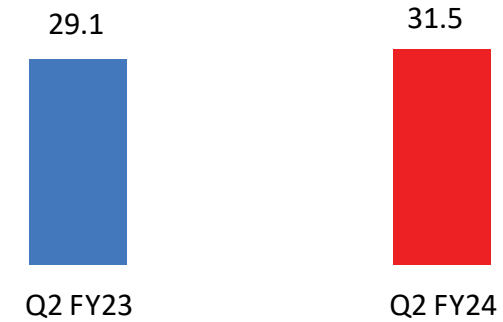
Average Revenue Per Patient (IP & OP)^(1,2)

US\$ '000



Operating Revenues⁽⁴⁾

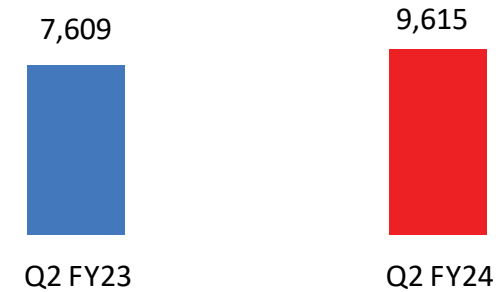
US\$ mn



Discharges⁽³⁾



Out-Patients⁽¹⁾



(1) OP figures include day-care business of HCCI and EICL

(2) ARPOB for the period Q2 FY 24 was USD 2.3 mn as compared to USD 2.1 mn in Q2 FY 23.

(3) ALOS for the period Q2 FY24 was 8.9 days as compared to 9.1 days in Q2 FY23.

(4) Operating revenues include HCCI and EICL entities.



Consolidated Financial Performance

Figures in INR mn, unless stated otherwise

Profit and Loss Statement^(1,3)

Particulars (INR mn)	Q2 FY24	H1 FY24
Total Operating Revenue	13,052	25,387
Consumption	2,845	5,562
Doctors Expenses	2,221	4,320
Employee (Excluding Doctors) Expenses	2,553	5,007
Other Admin Expenses	2,353	4,710
Total Expenses	9,971	19,599
Other Income	184	335
EBITDA	3,265	6,123
Depreciation and Amortization	553	1,142
Finance Costs	229	438
Share of (loss)/profit of equity accounted investees	-	-
PBT	2,484	4,543
Tax Expense	217	436
PAT	2,267	4,107
Total Comprehensive Income	2,413	4,213

Key Balance Sheet Items⁽¹⁾

Particulars	30 th September 2023
Shareholder Equity	25,017
Total Borrowings	9,609
Lease Liability	1,113
Net Block + CWIP ⁽²⁾	24,398
Goodwill	1,178
Right to Use Assets	1,204
Net Receivables	4,818
Current Investments	5,242
Cash and Bank Balance	3,477

As on September 30th, 2023, the Total Borrowings less Cash, Bank Balance and Current Investments was INR 863 mn representing a net debt to equity ratio of 0.03 (out of which, borrowings worth US\$ 52 mn is foreign currency denominated)

(1) Figures might not equal the reported numbers due to rounding off

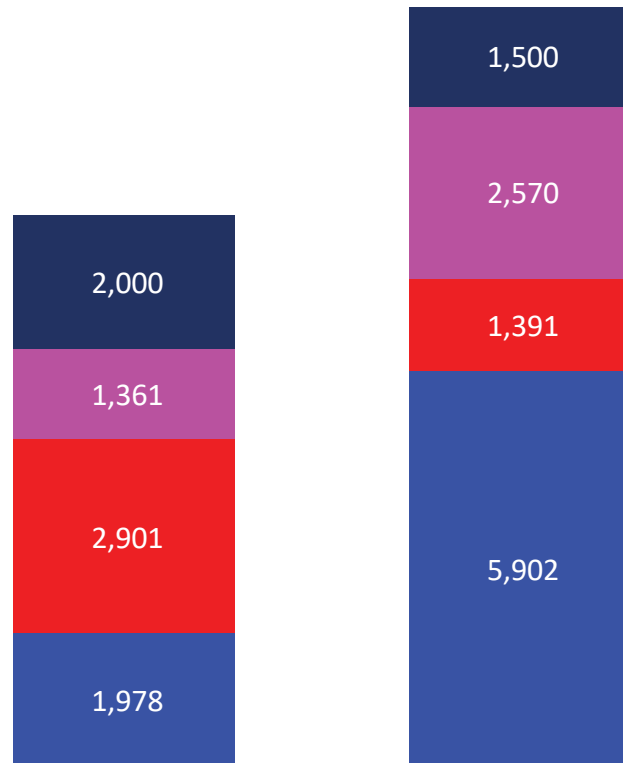
(2) Net Block includes non-cash government grant impact of INR 1,106 mn, non-cash financial lease impact of INR 662 mn and non-cash EPCG license impact of INR 142 mn

(3) As per the accounting treatment for leases per IND AS 116 effective 1st April 2019 which resulted in INR 94 mn increase in depreciation, INR 26 mn increase in finance cost resulting in decrease of INR 8 mn in PAT for Q2 FY 24 on pre-IND AS 116 basis



Capex Strategy

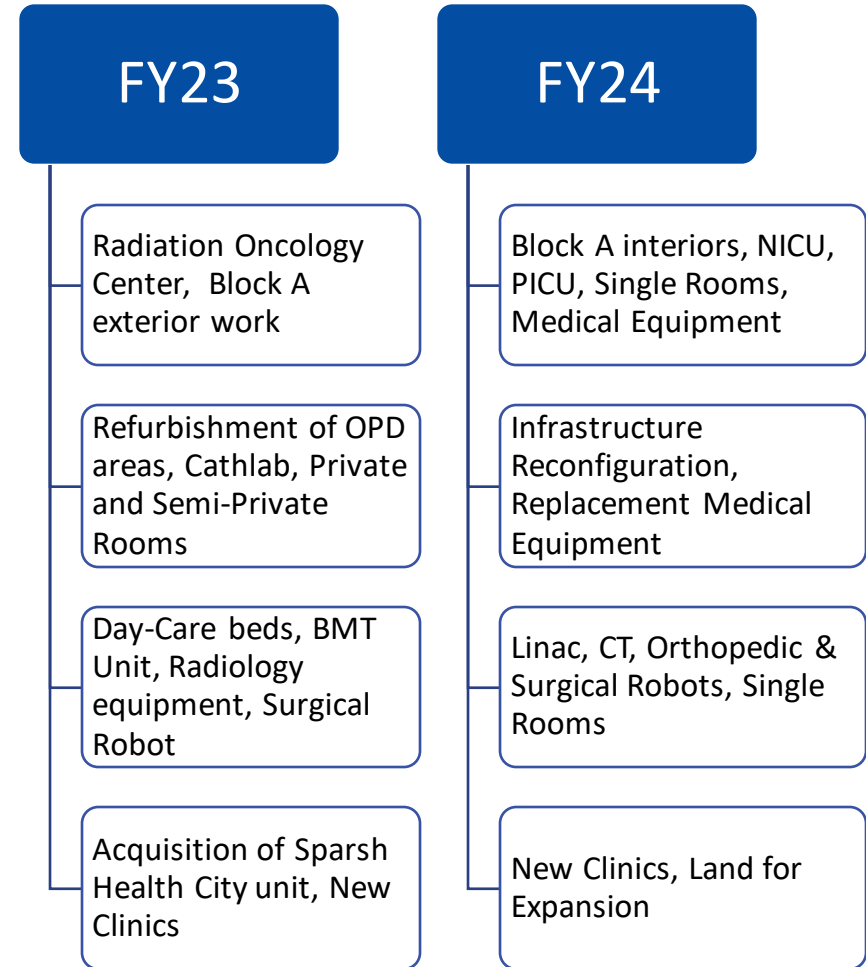
INR Mn



FY23 ACTUALS

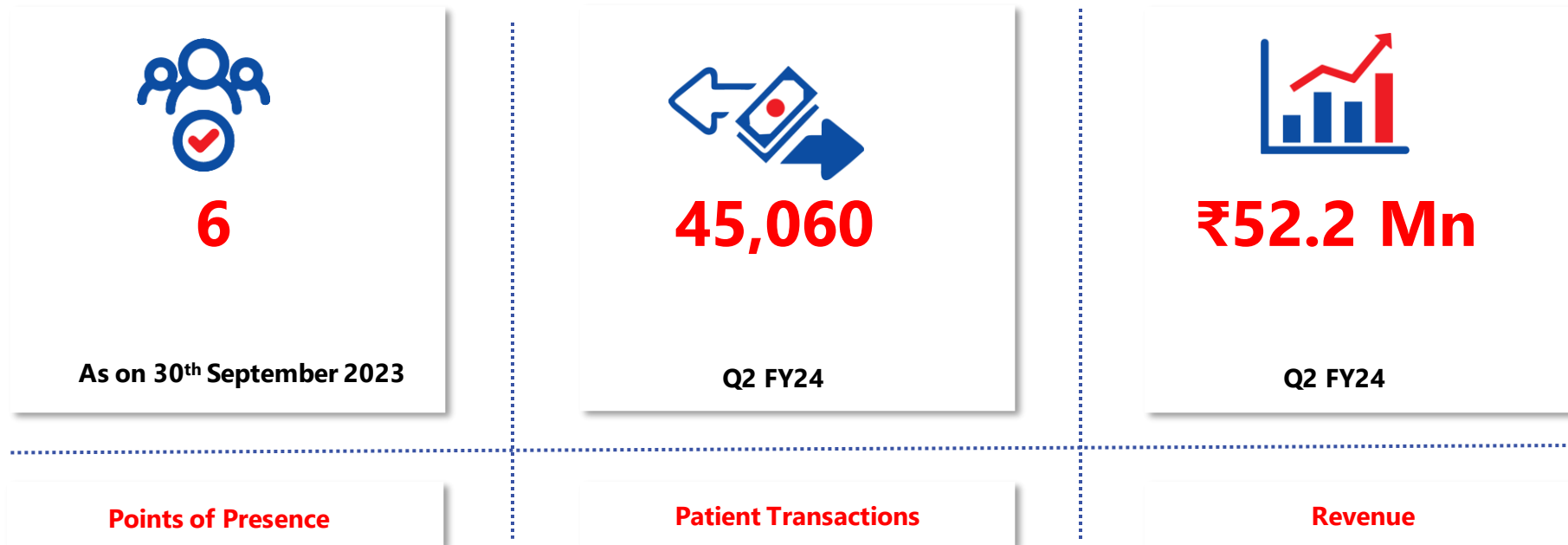
FY24 PROJECTED

- Greenfield/Inorganic
- Brownfield/Capacity Addition
- Replacement/Maintenance
- Cayman





Program running since September 2022 at select Bengaluru locations



Current focus on Bengaluru

We will learn and adjust model and expand geographical presence subsequently



Digital Transformation Initiatives



Launch | New Products



- athmâ's comprehensive Radiology Information System & PACS launched

Industry First



- Dedicated Nursing app launched. Aimed at cutting down paperwork and save 4 hours per day



Impact | Mobile Apps



- 36% administrative workload reduced in OP counters through patient app & OP kiosks



- 45% reduction in doctor response time through real-time alerts and integrations on doctor app



Initiatives | Business



- Patient discharge alerts + payments on Whatsapp, allowing patients to walk out from the ward



- Digital invoices and reports to achieve paper reduction target
- Digital pre-assessment to reduce doctor consult time



GTM | athmâ Reach



- 6 External Hospitals Onboarded on athmâ, 2 under implementation), 3 Diagnostic Labs



- athmâ SaaS volumes: 1.4 lacs bills generated, 1.2 lacs samples processed, 58K ABHA records generated



A Healthy Planet

By being conscious about impact on the environment, prioritizing consumption efficiency and resource optimization



30%

Renewable energy mix by 2030

24% (T 26%)



Carbon Neutral

By 2040

Ongoing



100%

Waste-water recycling by 2030

1.3 KL Water Per occupied bed (T 1.3)



Optimized

Waste management processes

1.6 Kgs Per occupied bed (T 1.56)



50% less

Paper use across patients by 2025 from 2023

6.9 Pages/ Patient YTD (T 5)

A Healthy Society

By improving access to care, digitising patient safety & experience and building the workforce for tomorrow



25,000+

Doctors, nurses, and paramedical trained by 2030

1300 (T 1300)



4000+

Underprivileged academically bright students, aspiring to become doctors by 2030

482 (T 300)



Touching lives of 20,000+

Govt. school children through cleanliness and hunger Feeding program by 2030.

1171 (T 1000)



5000+

Decreasing disparities in access to care 5000 BMTs by 2030 5000 Heart Procedures for Children every year with Treatment Cost Waiver

2509 (T 2650)



5,60,000+ hours

Person hours invested in Associate Development Programs, including upskilling by 2030

1.84 L Person Hours of training (T 1.92 L)



Digitization

For enhancing patient safety & experience

On Plan Ongoing

A Healthy Institution-

By fostering a culture of innovation & strong governance



Industry leader

In clinical Governance

On Plan Ongoing



100%

NABH & enterprise level JCI certified hospitals by 2025

Ahead of Plan



1000+ Publications

Greater than 1000 publications in Peer Reviewed Indexed Journals (in the 5 years ending Calendar Year 2025).

84 Publications YTD (T 100)



Best in Class risk management

Robust Risk Management Process

On Plan Ongoing



Cyber resilience

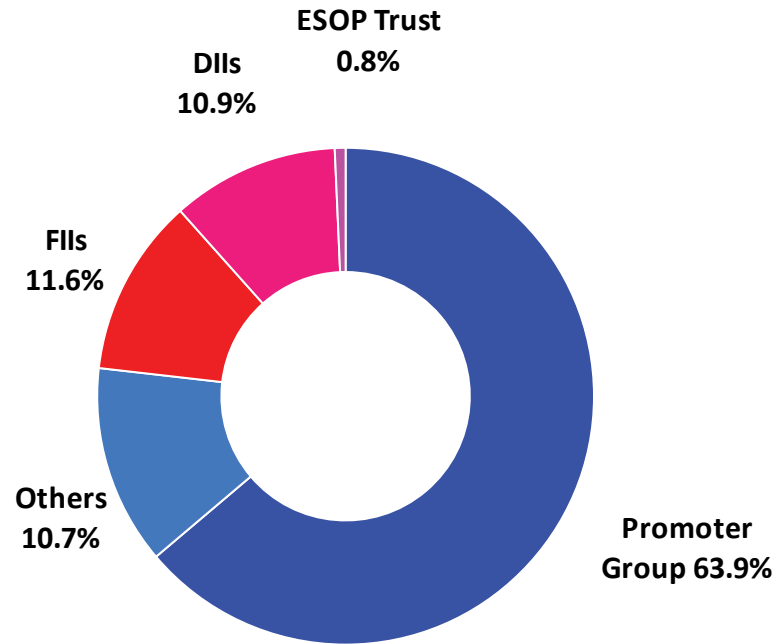
Zero Trust Architecture by 2025

On Plan Ongoing



Shareholding Pattern

As on 30th September 2023⁽¹⁾



Total Number of Shares
204,360,804

Key DIIs

Axis Asset Management
ICICI Prudential Life Insurance
Nippon Life India Asset Management
DSP Investment Management
Unifi Capital

Key FIIs

Wellington Asset Management
Vanguard Index Fund
Mirae Asset Management
Simcah Partners
Franklin Templeton Asset Management

(1) Percentages might not add up to 100% due to rounding off



Disclaimer and Contact Details

No representation or warranty, express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of such information or opinions contained herein. The information contained in this presentation is only current as of its date. Certain statements made in this presentation may not be based on historical information or facts and may be “forward looking statements”, including those relating to the Company’s general business plans and strategy, its future financial condition and growth prospects, and future developments in its industry and its competitive and regulatory environment.

Actual results may differ materially from these forward-looking statements due to a number of factors, including future changes or developments in the Company’s business, its competitive environment and political, economic, legal and social conditions in India.

This communication is for general information purpose only, without regard to specific objectives, financial situations and needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any shares in the Company and neither any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. The Company may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such revision or changes. This presentation can not be copied and/or disseminated in any manner.

For further Information, please contact :

Mr. Nishant Singh

Vice President – Finance, Investor Relations, M&A

+91 8369353821

nishant.singh@narayanahealth.org

Mr. Saladi Durgaprasad

Senior Manager – Investor Relations, M&A

+91 8247647910

saladi.durgaprasad@narayanahealth.org



Take Care



Login

Sign up



Share To Care
@sharetocare

Follow



Narayana Hrudayalaya is a great Share with everything right but I won't choose because they don't have killer instinct (No Pun intended) and do business ethically. It is a boon for patients but we should prefer Hospital Chains which charge like Ferrari Speedometer ...

9:14 PM · Oct 1, 2023 · 113 Views

1 Like

