

September 5, 2020

Shalby/SE/2020-21/54

The Listing Department
National Stock Exchange of India Ltd
Mumbai 400 051.

Scrip Code : SHALBY
Through : <https://www.connect2nse.com/LISTING/>

Corporate Service Department
BSE Limited
Mumbai 400 001.

Scrip Code: 540797
Through : <http://listing.bseindia.com>

Sub: Investor Presentation for the First Quarter ended June 30 2020, disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("the SEBI LODR")

Dear Sir / Madam,

We are submitting herewith Investor Presentation on financial & operational performance of the Company for the First quarter ended June 30, 2020, which is also being made available on our website.

We request to take the same on your records and disseminate the same to the members.

Thanking you,

Yours sincerely,
For Shalby Limited



Jayesh Patel
Company Secretary & Compliance Officer



Encl.: as above

Earnings Presentation

Q1 FY2021

SHALBY LIMITED (BSE CODE: 540797 | SHALBY, NSE CODE: SHALBY)

A leader in Joint Replacement surgeries in India with an established chain of multi-specialty tertiary care hospitals.



Q1 FY2021 PERFORMANCE HIGHLIGHTS



HOSPITAL BUSINESS UPDATE



SHALBY BUSINESS MODEL



ANNUAL PERFORMANCE HIGHLIGHTS



Q1 FY2021 PERFORMANCE HIGHLIGHTS

Q1 FY2021 PERFORMANCE HIGHLIGHTS

Q1 FY2021 performance impacted due to the Covid-19 crisis
Lower patient count, number of surgeries and bed occupancy impacted financial performance

In Patient Count (Nos.)

3,664

9,799 in Q1 FY20

Surgeries Count

843

6,146 in Q1 FY20

Beds Occupied (Nos.)

205

457 In Q1 FY20

Avg. Occupancy Rate

17%

38% in Q1 FY20

ARPOB (Rs.)

21,848

Rs. 32,228 in Q1 FY20

ALOS (Days)

5.10

4.24 in Q1 FY20

Revenues

Rs. 408 mn

Q1 FY20 Rs. 1,340 mn

Operating EBITDA

Rs. (25) mn

Q1 FY20 Rs. 314 mn

PBT

Rs. (126) mn

Q1 FY20 Rs. 210 mn

Net Profit

Rs. (86) mn

Q1 FY20 Rs. 237 mn

Notes:

1. Occupancy rate is on the basis of operational beds
2. ALOS is excluding Day Care
3. All numbers are on Standalone basis

Q1 FY2021 PERFORMANCE HIGHLIGHTS



Commenting on performance Chairman & Managing Director Dr. Vikram Shah Said:

As expected our first quarter FY 2021 financial performance was significantly impacted by the pandemic primarily because Shalby's specialization in orthopedics, and in particular arthroplasty, has not been a high priority treatment area for patients during these times. However, many of these arthroplasty surgeries will simply be postponed

to a later date when the overall environment for personal safety and travel improves. Our ongoing diversification strategy into multi specialty hospitals has also continued to serve general and COVID-19 patients well across the Shalby hospital group. Up to the end June, close to 600 Covid-19 patients have been treated at our 6 hospitals.

As a management team, we have always focused on both initial hospital development capex and ongoing operating costs. This long term view and practical approach has helped us during these difficult times, as doctor costs as a percentage of revenues has declined in FY20 and our hospital modular design layouts have minimized costs further. Our current hospital developments in Nashik and Santa Cruz will be impacted from a timing perspective but the safety of the Shalby team and our working partners is our highest priority.

As we advance through this current quarter, occupancy rates improved significantly with July and August registering 35% and 36% respectively. The recovery in the number of arthroplasty surgeries is slow but we expect it to reach pre-Covid levels by end of next quarter. Our cautious approach to leverage has now proved beneficial by providing Shalby with a robust balance sheet during these challenging times. I would also like to take this opportunity to thank the Shalby management and other team members for their outstanding professionalism and commitment during the course of the last few months.

In recognition of this current scenario, Dr Darshini Shah and I will not be taking any fees for services for all of FY2021.

Shalby Group Structure Simplification

Step 1

- Shalby Ltd acquired 100% of Slaney from Zodiac Mediquip
- Cash consideration of Rs. 11.21 million

Step 2

- Shalby International acquired 5% of Griffin from Yogeshwar
- Cash consideration of Rs. 1.04 million

For both transactions

- Kotak and Kotak retained as financial advisor
- Beeline Broking Ltd acted as merchant banker and provided an independent valuation report

Capital Structure

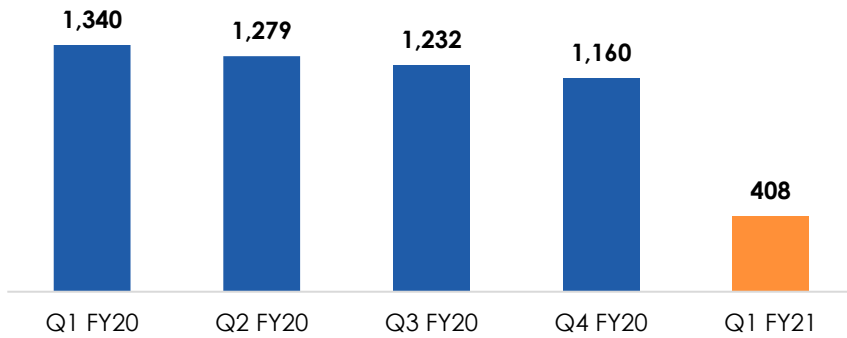
Rs Million	June-20	Mar-20
Gross Borrowings	494	622
Cash and Investments	982	1,021
Net Debt/ (Net Cash)	(488)	(398)
Equity	8,046	8,137

Notes:

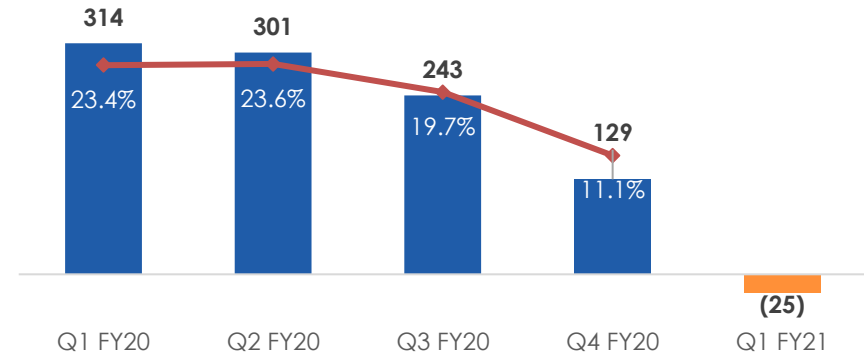
1. All numbers are on Standalone basis

Q1 FY2021 PERFORMANCE HIGHLIGHTS

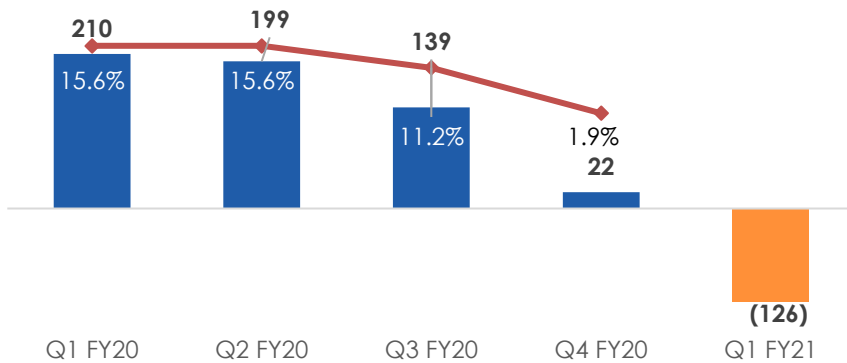
Total Revenue (Rs. Mn)



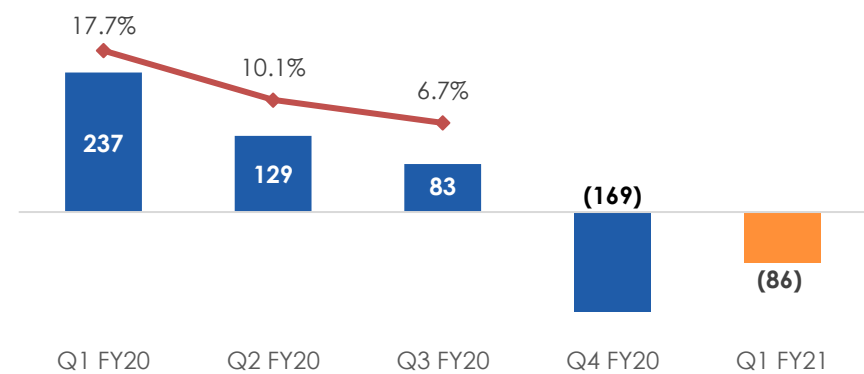
EBITDA (Rs. Mn) and Margin



PBT (Rs. Mn) and Margin



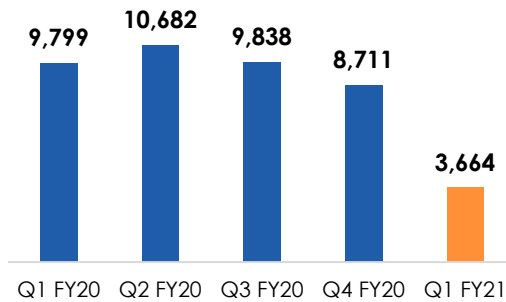
PAT (Rs. Mn) and Margin



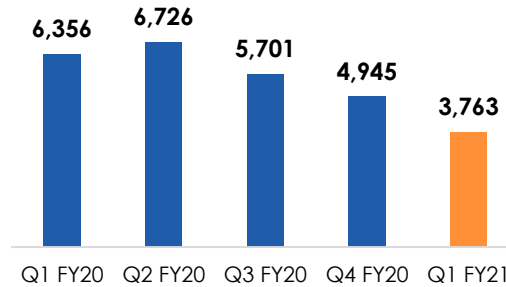
Note:
1. All numbers are on Standalone basis

Q1 FY2021 PERFORMANCE HIGHLIGHTS

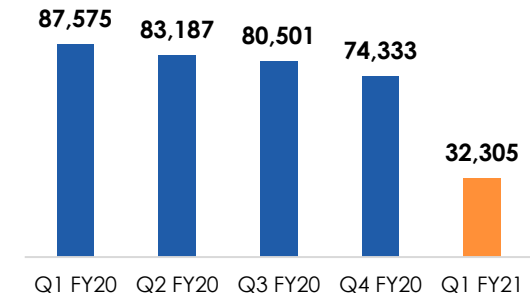
In Patients



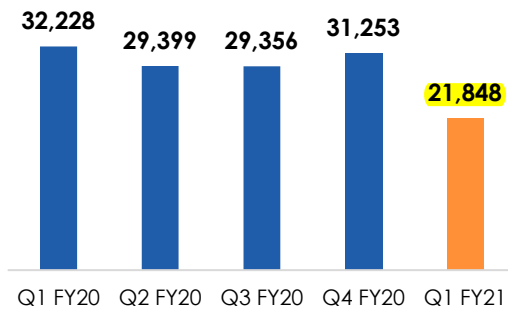
Day Care



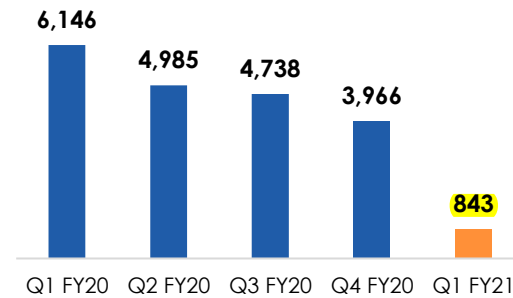
Out Patients



ARPOB (Rs.)

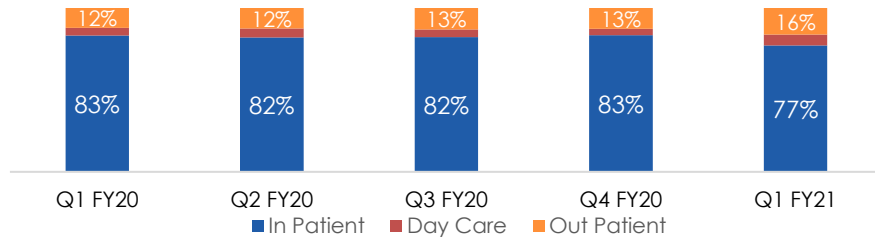


Surgery Count

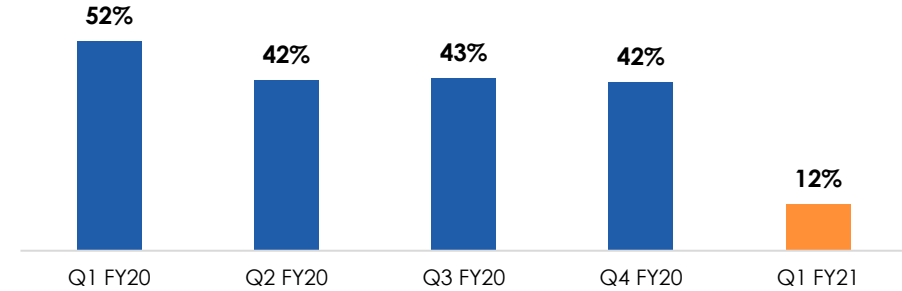


Q1 FY2021 PERFORMANCE HIGHLIGHTS

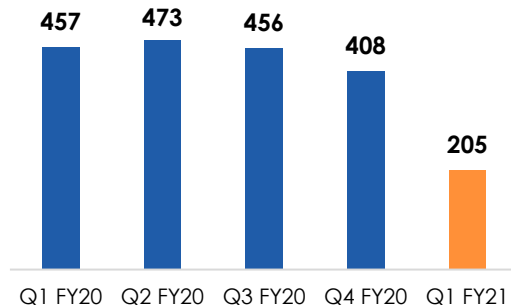
Revenue Mix by Care



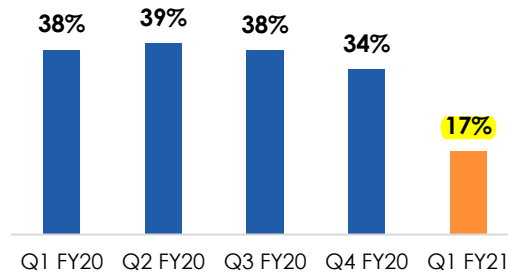
% of Revenue from Arthroplasty



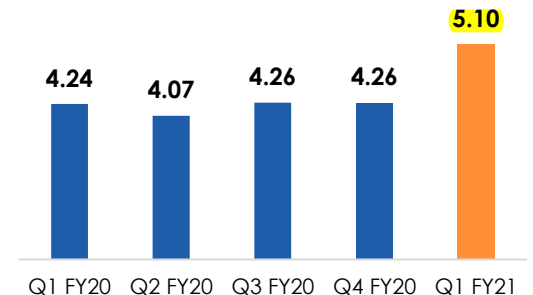
No of Bed Occupied



Occupancy Rate



ALOS

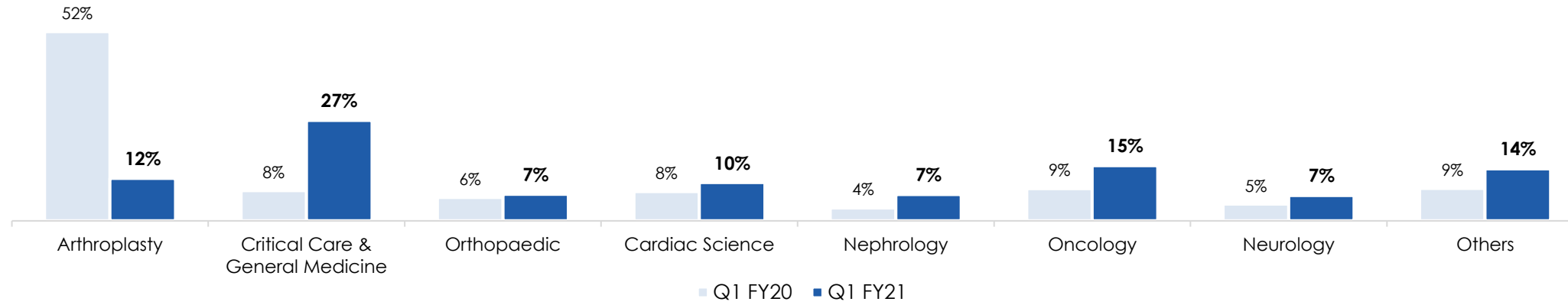


Notes:

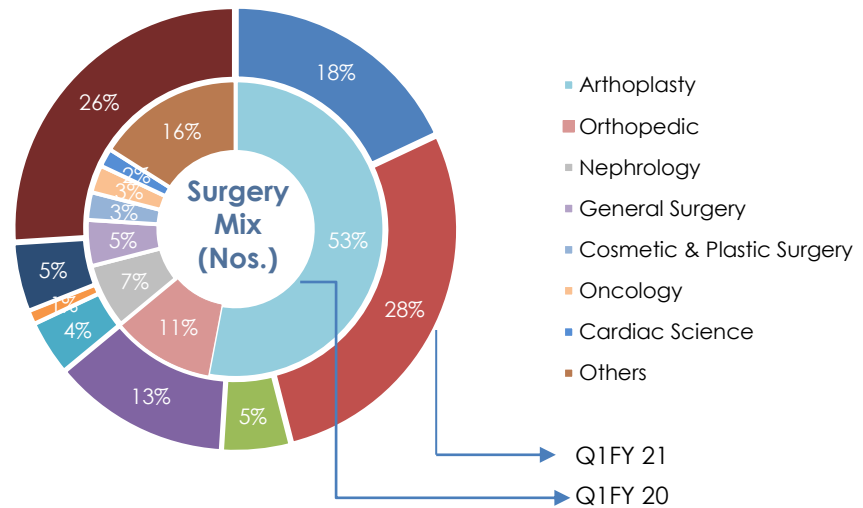
1. Occupancy rate is on the basis of operational beds
2. ALOS is excluding Day Care
3. All numbers are on Standalone basis

Q1 FY2021 PERFORMANCE HIGHLIGHTS

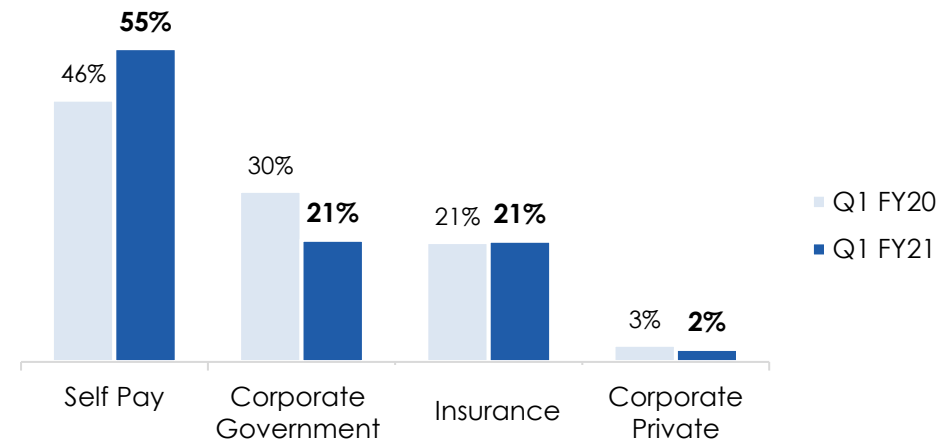
Revenue by Hospital Specialty



Number of Surgeries by Specialty



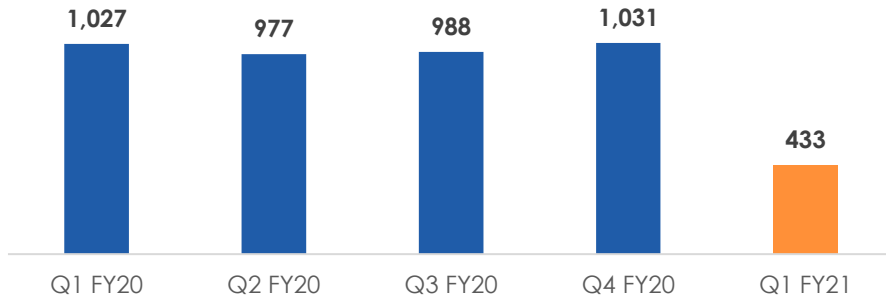
Revenues by End Patient



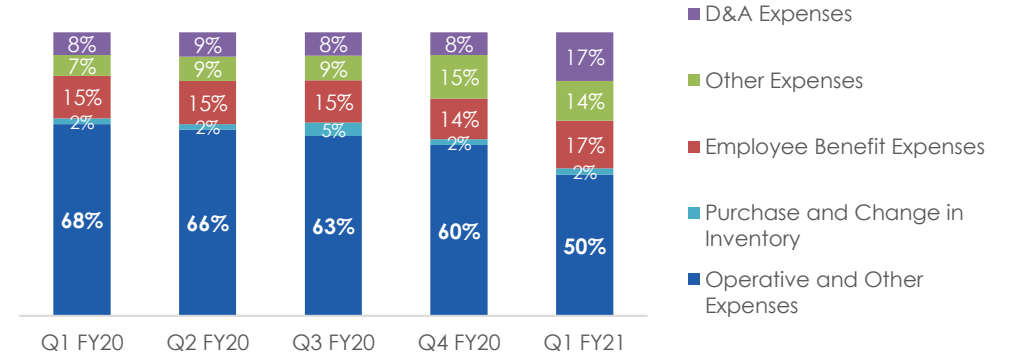
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Q1 FY2021 PERFORMANCE HIGHLIGHTS

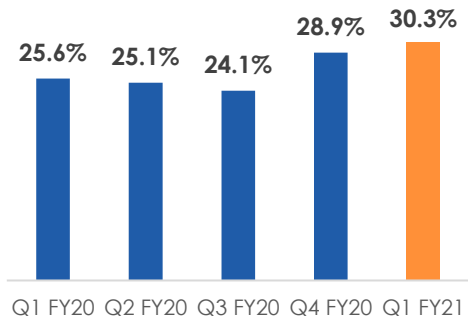
Total Operating Expenses (Rs. Mn)



Total Costs Mix (Rs. Mn)

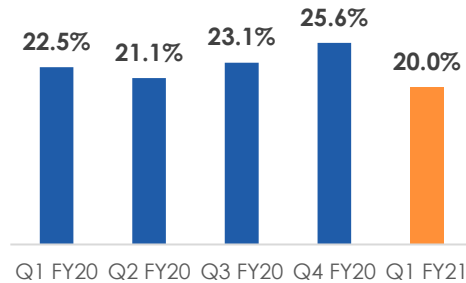


Doctor Costs as % of Revenue from Operations



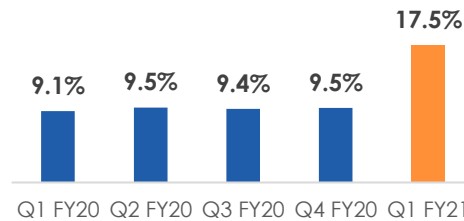
Q1 FY21 Rs. 116 mn vs Rs. 338 mn Q1 FY20

Consumables as % of Revenue from Operations



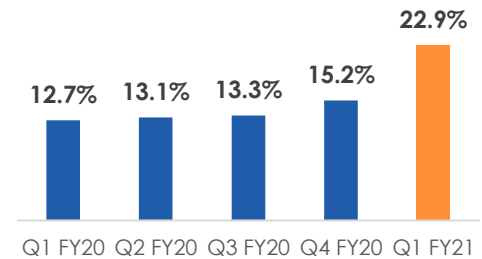
Q1 FY21 Rs. 77 mn vs Rs. 296 mn Q1 FY20

Other Operative Expense as % of Revenue from Operations



Q1 FY21 Rs. 67 mn vs Rs. 119 mn Q1 FY20

Employee Costs as % of Revenue from Operations



Q1 FY21 Rs. 88 mn vs Rs. 168 mn Q1 FY20

Notes:

- Total Operating Expenses comprises of Operative and other expenses, Purchase and Change in Inventory, Employee costs and Other Expenses
- All numbers are on Standalone basis

Q1 FY2021 PERFORMANCE HIGHLIGHTS

Particulars (in Rs. Million)	Q1 FY21	Q1 FY20	Q4 FY20	FY 20	FY 19	YoY Growth
Revenue from Operations	384	1,318	1,055	4,839	4,624	4.6%
Other Income	24	23	105	177	94	89.4%
Total Income	408	1,340	1,160	5,016	4,718	6.3%
Expenses						
COGS	272	777	698	2,931	2,839	3.2%
% of Revenue	71%	59%	66%	61%	61%	
Employee Benefit Expenses	88	168	161	652	643	1.4%
% of Revenue	23%	13%	15%	13%	14%	
Other expenses	74	82	172	440	317	38.8%
% of Revenue	19%	6%	16%	9%	7%	
Total Operating Expenses	434	1,027	1,032	4,025	3,801	5.9%
% of Revenue	113%	78%	98%	83%	82%	
EBITDA	(25)	314	129	992	918	8.1%
EBITDA Margins %	(6.2)%	23.4%	11.1%	19.8%	19.5%	
Depreciation and Amortisation	89	89	90	359	330	8.7%
Finance Cost	12	15	17	64	81	(21.2)%
PBT	(126)	210	22	570	507	12.4%
Total tax	(40)	(27)	191	291	186	56.0%
Effective Tax Rate %	31.5%	(12.8)%	nm	51.0%	36.7%	
PAT	(86)	237	(169)	280	321	(12.9)%
PAT Margins %	(21.2)%	17.7%	(14.5)%	5.6%	6.8%	

Notes:

1. Margins are calculated on the basis of Total Income
2. All numbers are on Standalone basis

Q1 FY2021 PERFORMANCE HIGHLIGHTS

Operational Metrics	Q1 FY21	Q1 FY20	Q4 FY20	FY 20	FY 19	YoY Growth
In Patient Count (Nos.)	3,664	9,799	8,711	39,030	36,311	7.5%
Day Care Patient Count (Nos.)	3,763	6,356	4,945	23,728	19,674	20.6%
Out Patient Count (Nos.)	32,305	87,575	74,333	3,25,596	2,96,197	9.9%
Surgeries Count (Nos.)	843	6,146	3,966	19,835	19,908	(0.4)%
ARPOB (In Rs.)	21,848	32,228	31,253	30,457	31,296	(2.7)%
Bed Capacity (Nos.)	2,012	2,012	2,012	2,012	2,012	0.0%
Operational Beds (Nos.)	1,200	1,200	1,200	1,200	1,102	8.9%
Occupancy (Beds)	205	457	408	450	413	9.0%
Occupancy (%)(based on operational beds)	17.1%	38.1%	34.0%	38.0%	37.0%	2.7%
Average Length of Stay (without Daycare)	5.10	4.24	4.26	4.22	4.15	1.7%

Note: The operational bed count of 1,200 considers 36 operational beds at Zynova-Shalby Hospital, Mumbai, for which no other operational parameters are tracked

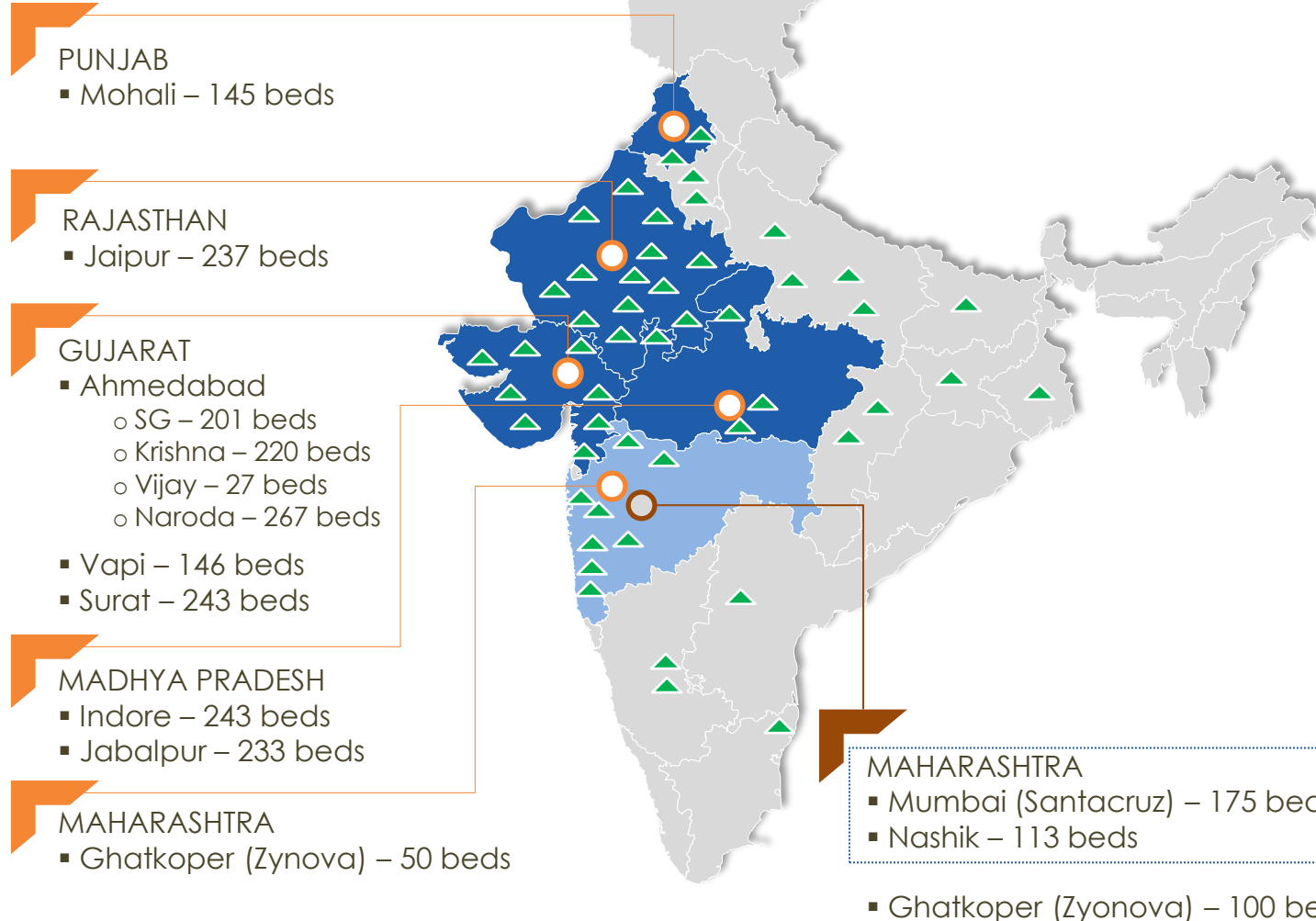


HOSPITAL BUSINESS UPDATE

OUR REGIONAL PRESENCE

● Existing 11 Units (2012 beds) ○ Upcoming 2 Units (288 beds) ▲ 50 Outpatient Clinics across 15 states in India

➤ National Presence



➤ International Presence (in Africa)



Santa Cruz Development Update

Business Model: **Revenue Sharing**

Bed Capacity: **175**

Operating and Management Term: **30 + 30 years**

Operationalization Year: **FY 2024**

Estimated Cost: **Rs. 1,600 million**

Approval awaited from Brihanmumbai Municipal Corporation (BMC)



Nashik Development Update

Business Model: **Revenue Sharing**

Bed Capacity: **113**

Operating and Management Term: **30 years**





Operationalization Year: **FY 2023**

Estimated Cost: **Rs. 310 million**

Brownfield development with Shalby to invest in medical equipments







HOSPITAL BUSINESS UPDATE

Hospital Name	Image	Commencement	No. of beds / Occupancy	Type of Arrangement	Revenue Contribution %	Catchment	Key Updates
SG		2007 13 Years	201 50.3%	Leased – Fixed Rent	32.8%	Ahmedabad and surrounding areas of Gujarat, Rajasthan and Mumbai	<ul style="list-style-type: none"> Transfer of Covid-19 positive patients to other Shalby units Optimum utilization of manpower Specialties such as otho trauma, neurology and neuro-surgery, oncology, spine and general surgery along with critical care and general medicine showed major growth
Vijay		1994 26 Years	27 11.1%	Freehold	0.4%	Ahmedabad and surrounding areas of Gujarat	<ul style="list-style-type: none"> Vijay was one of the first to start Covid-19 treatment in Ahmedabad
Krishna		2012 8 Years	220 36.9%	Freehold	12.3%	Ahmedabad and surrounding areas of Gujarat and Rajasthan. Also attracts international patients	<ul style="list-style-type: none"> Continued engagement through webinars A surge was seen in critical care specialty Started treating Covid-19 patients from Jun'20, treated 325 Covid-19 to date
Naroda		2017 3 Years	267 55.1%	Leased – Revenue Share	8.0%	Ahmedabad and surrounding areas of Gujarat	<ul style="list-style-type: none"> Treated more than 300 Covid-19 positive patients Growth in oncology, nephrology and critical care Tie-up with nearby nursing home and consultants

SG Group

Notes:
 1. Revenue contribution % is a contribution to total hospital revenue
 2. All numbers are on Standalone FY2020 basis




HOSPITAL BUSINESS UPDATE

Surat		Commencement	2017 3 Years	Catchment: South Gujarat, North Maharashtra (including Mumbai) <ul style="list-style-type: none"> Conducted multiple awareness sessions for corporates like Reliance, L&T and Shell about Covid-19 dos and don'ts Dialysis specialty saw a spike in Q1 FY2021 	Surat Group
		No. of beds / Occupancy	243 39.1%		
		Type of Arrangement	Freehold		
		Revenue Contribution%	10.0%		
Vapi		Commencement	2012 8 Years	Catchment: South Gujarat <ul style="list-style-type: none"> Short stay trauma was introduced Focused on digital marketing initiatives 	Surat Group
		No. of beds / Occupancy	146 20.0%		
		Type of Arrangement	Freehold		
		Revenue Contribution%	1.4%		
Indore		Commencement	2012 8 Years	Catchment: Madhya Pradesh <ul style="list-style-type: none"> Appreciation from local administration (Collector) for managing variety of complicated Covid-19 patients While the elective work was less in Q1 the time was used to improve the services through continuous training and process improvement 	Surat Group
		No. of beds / Occupancy	243 46.0%		
		Type of Arrangement	Freehold		
		Revenue Contribution%	13.0%		
Jabalpur		Commencement	2015 5 Years	Catchment: Madhya Pradesh <ul style="list-style-type: none"> Treated 50 Covid-19 patients Focused on digital marketing avenues to generate more leads Witnessed good numbers in specialties like cardiac science, critical care and general medicine and neurology 	Surat Group
		No. of beds / Occupancy	233 35.3%		
		Type of Arrangement	Leased – Revenue Share		
		Revenue Contribution%	7.6%		

Notes:

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2. All numbers are on Standalone FY2020 basis

HOSPITAL BUSINESS UPDATE

Mohali		Commencement	2017 2+ Years	<p>Catchment: Punjab, Uttrakhand</p> <ul style="list-style-type: none"> • Top 2 floors of the hospital dedicated for Covid-19 patients • Major specialties like arthroplasty, urology and medicine showing recovery in Q2 FY2021 • Average Occupancy improved four times from April 20 to July 20
		No. of beds / Occupancy	145 24.7%	
		Type of Arrangement	Freehold	
		Revenue Contribution%	3.7%	
Jaipur		Commencement	2017 3 Years	<p>Catchment: Rajasthan, Western UP, Punjab, Delhi</p> <ul style="list-style-type: none"> • Zero doctor attrition amidst the Covid-19 crisis • Highest number of child deliveries amongst all corporate multispecialty hospitals in Jaipur
		No. of beds / Occupancy	237 36.0%	
		Type of Arrangement	Freehold	
		Revenue Contribution%	10.8%	
Zynova		Commencement	2017 3 Years	<p>Catchment: Mumbai</p> <ul style="list-style-type: none"> • Converted into Covid-19 facility from 1st June to 31st Aug 2020 • 24 beds were given for Covid-19 including 15 beds in ICU
		No. of beds / Occupancy	50 / na	
		Type of Arrangement	O&M Model	
		Revenue Contribution%	na	

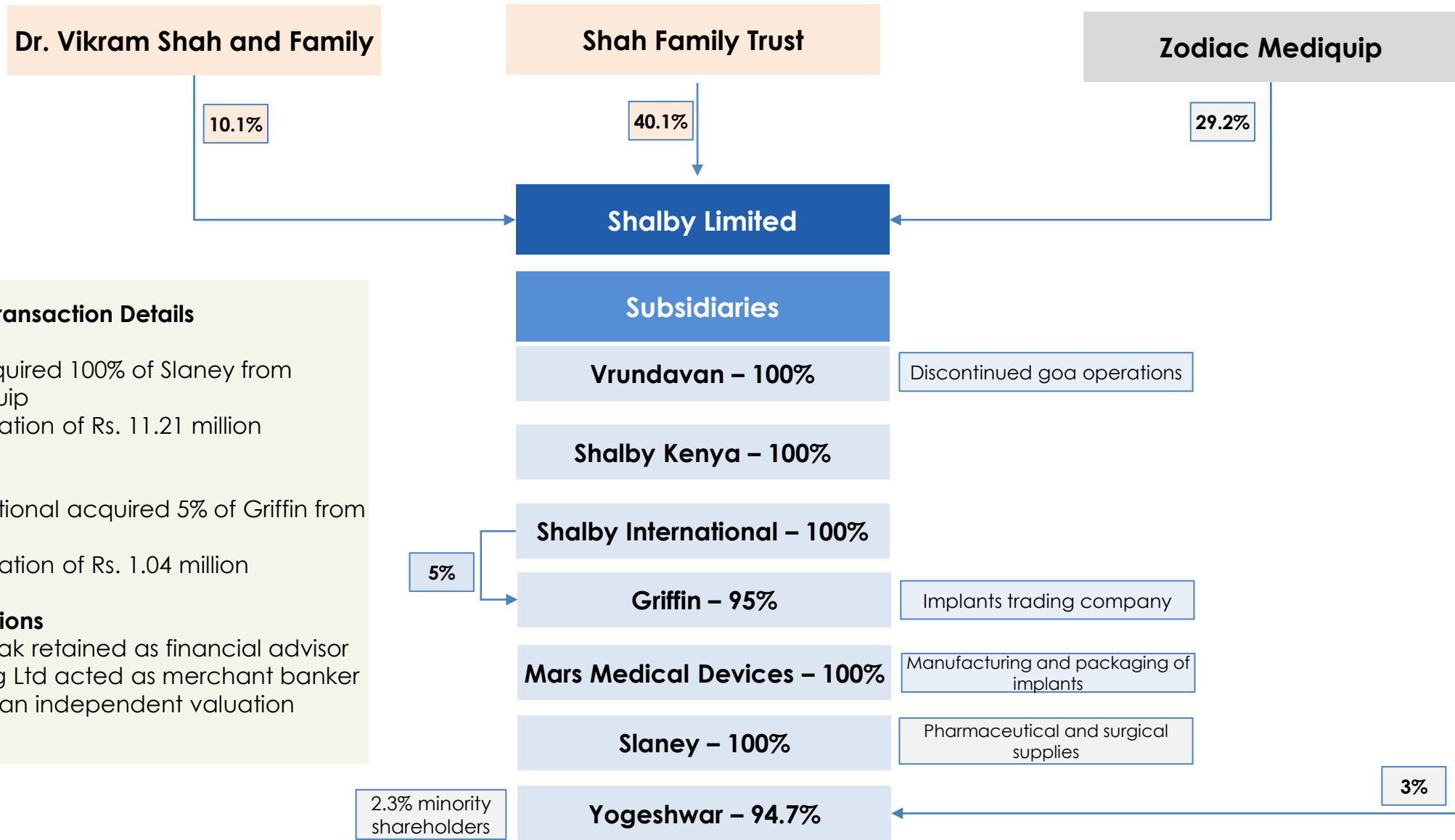
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SHALBY BUSINESS MODEL

SHALBY BUSINESS MODEL



Transaction Details

Step 1

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- Cash consideration of Rs. 11.21 million

Step 2

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For both transactions

- Kotak and Kotak retained as financial advisor
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Experienced Board of Directors

Dr. Vikram Shah
Chairman and Managing Director



Over two and a half decades of professional healthcare experience across UK, USA and India, Dr. Shah has been serving as Director of the Department of Knee Replacement at Shalby Hospitals since 1993. Recognised for his outstanding contribution in the field of orthopaedics on completion of 1,00,000 joint replacement surgeries, he received the 'Times Man of the Year' Award by Times of India Group in 2018.

Dr. Ashok Bhatia
Non- Executive Director



With more than 40 years of professional experience, in the past Dr. Bhatia was associated with Cadila Healthcare as President, Emerging Markets. Currently, he is an external consultant of McKinsey & Co and a visiting faculty member at IIM Ahmedabad, IIM Rohtak and IIT Gandhinagar.

Mr. Tej Malhotra
Independent Director



Mr. Malhotra has over four decades of experience in various industries both in India and internationally. Previously he held the positions of Senior Executive Director at GHCL, Technical Director at Idea Soda Ash and Calcium Chloride Company of Saudi Arabia and Executive Engineer (Mechanical) at Hindustan Copper.

Mr. Shyamal Joshi
Non-Executive Director



Associated with Shalby Hospitals since 2010, Mr. Joshi has significant experience in various areas including corporate strategy and fund raising. he holds a Bachelor's degree in Commerce from Gujarat University and is also a member of the ICAI.

Dr. Umesh Menon
Independent Director



Dr. Menon has experience in the areas of finance and cost accounting and is currently also on the board of directors of Varis Management Services. He is a regular visiting faculty member at Emirates Foundation and an international expert and trainer for the United Nations Industrial Development Organisation.

Ms. Sujana Shah
Independent Director



Ms. Shah is a practicing Chartered Accountant and has vast experience of over 18 years in the fields of finance, accounts, audit, direct and indirect taxes, banking and treasury. Presently she is a partner of V. R. Shah & Associates. She has also been the statutory and internal auditor of some of the most reputed public banks of India.

Senior Management

Mr. Shanay Shah President



With over six years of experience in the healthcare industry, Mr. Shah is involved in overseeing the international business, investor relations and digital transformation of Shalby Hospitals.

Mr. Prahalad Rai Inani Chief Financial Officer



Mr. Inani has over 24 years of experience in the fields of finance, accounts, financial planning & analysis, budgeting, cost control, project costing and auditing. Previously he was associated with Apollo Hospitals, TM Group of Companies and Octant Interactive Technologies.

Mr. Jayesh Patel Company Secretary and Compliance Officer



With over 18 years of experience in the field of corporate law Mr. Patel is involved in the legal, corporate compliance and secretarial matters of Shalby Limited.

Mr. Muraarie Rajan Principal Advisor



25 years experience in corporate strategy, mergers and acquisitions and fund raising. Worked at Wolfensohn & Company, Credit Suisse and JP Morgan in New York. Was Executive Director at Piramal Enterprises and JSW. Qualified as Chartered Accountant from the UK and holds an MBA from MIT Sloan School of Management

Dr. Nishita Shukla Chief Operating Officer



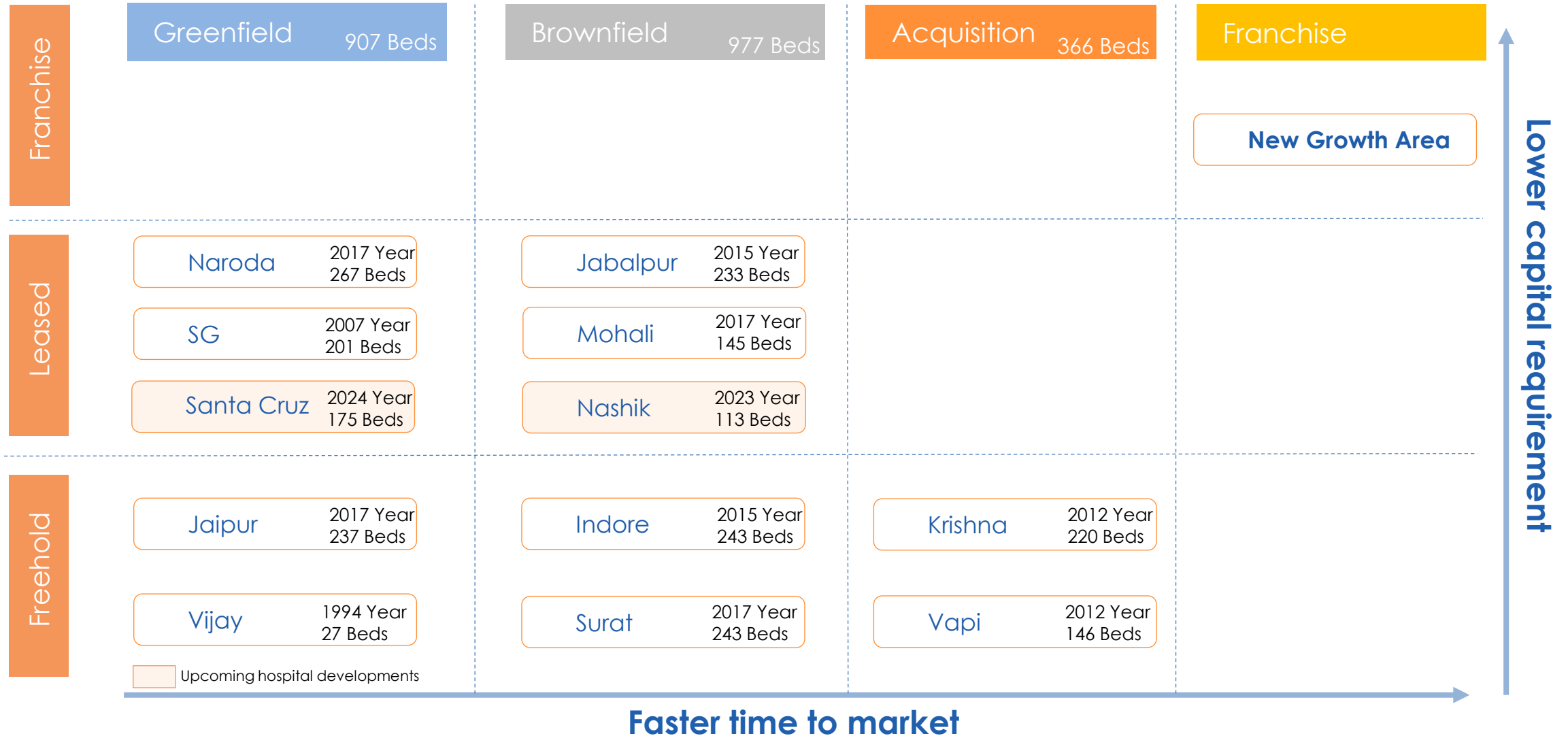
Dr. Shukla holds a bachelors' degree in Homeopathic Medicine and Surgery and has experience of over 13 years in the healthcare industry. As the Shalby Hospitals Group COO, her responsibilities include overseeing the overall business, clinical operations and administration of all hospital facilities.

Mr. Babu Thomas Chief Human Resource Officer



With over 25 years of experience in talent management, Mr. Thomas heads the Human Resources and Operation functions of the Group. He is involved in strategic HR initiatives, change management, talent acquisition, employee engagement, Shalby Academy and training and development.

SHALBY BUSINESS MODEL

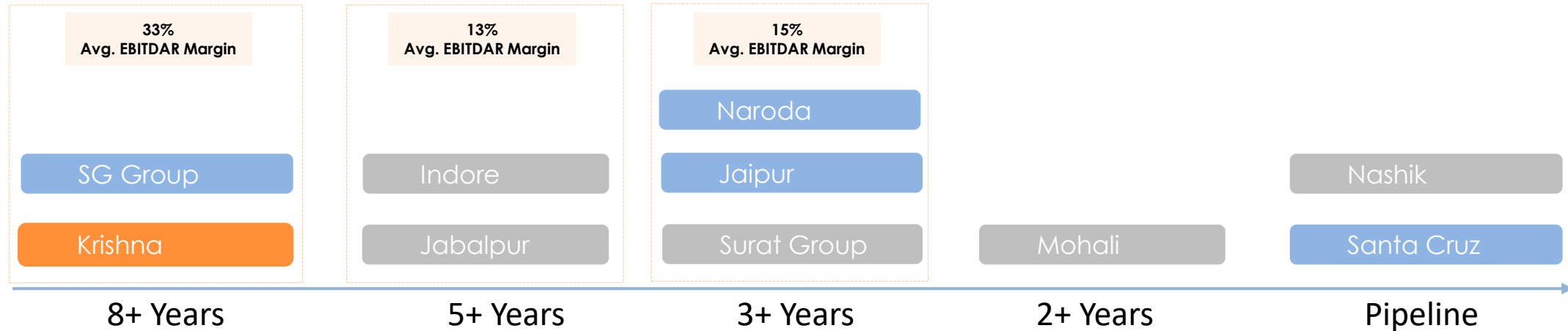


Notes:

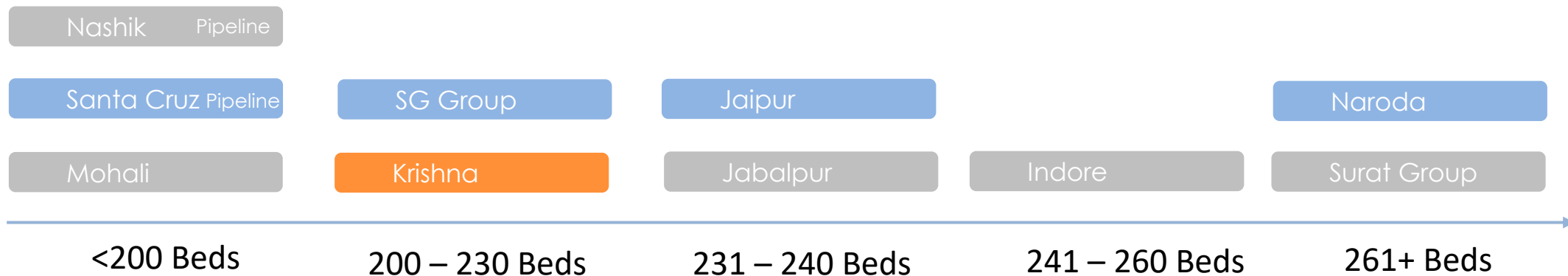
1. SG Group comprises of SG and Vijay. Surat Group comprises of Surat and Vapi
2. Fixed rent of Rs. 5L per month is paid by Shalby SG to Dr. Vikram Shah and Rs. 50,000 per month is paid by Vijay Shalby to Shalby Orthopedic and Research Centre in which Dr. Vikram Shah is a partner
3. Total bed count of 2012 includes 50 beds at Zynova-Shalby Hospital, Mumbai

SHALBY BUSINESS MODEL

Shalby Hospitals generates positive EBITDAR Margin within 3 years of its operations



Pipeline focused on high ARPOB regions and Franchise rollout

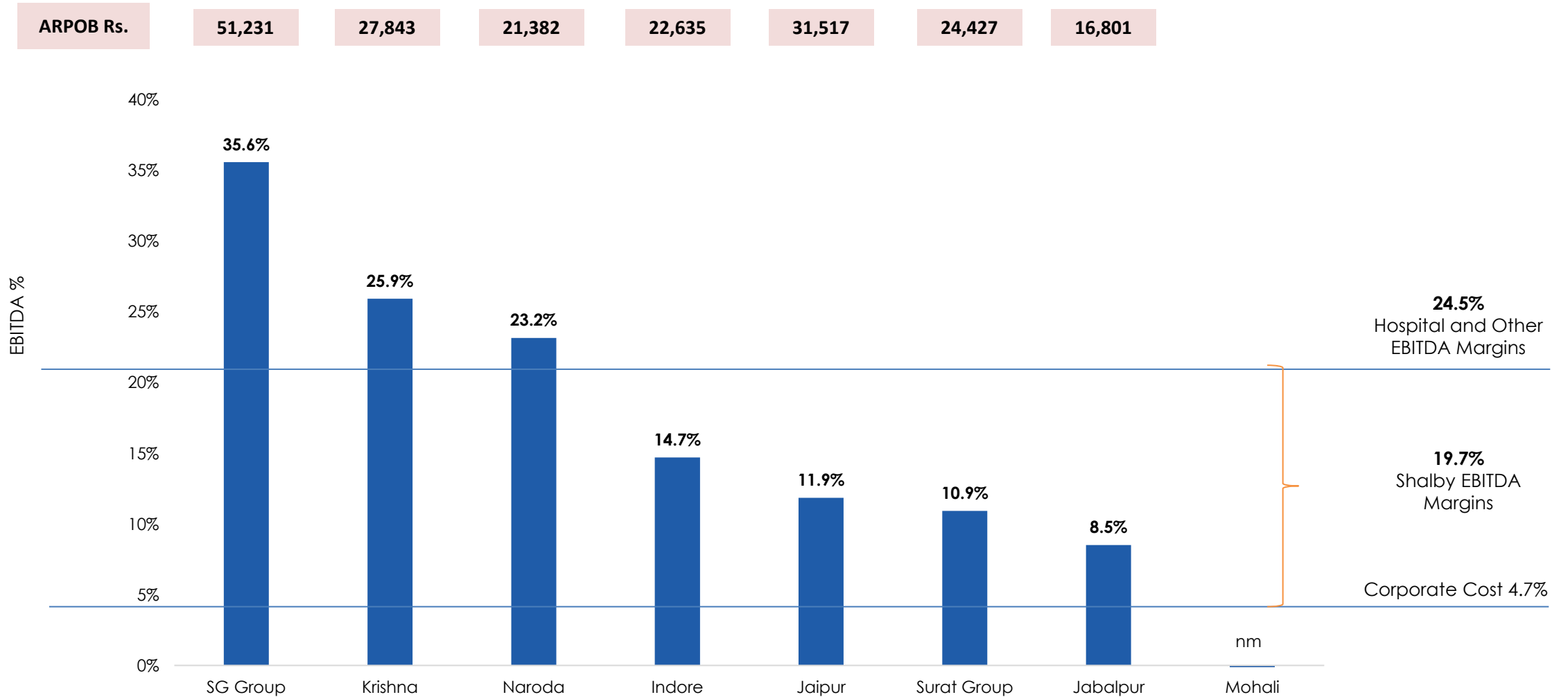


Note:
1. All numbers are on Standalone and FY2020 basis



SHALBY BUSINESS MODEL

Each hospital group makes a positive contribution at the Shalby level where corporate costs are 4.7% of total revenue

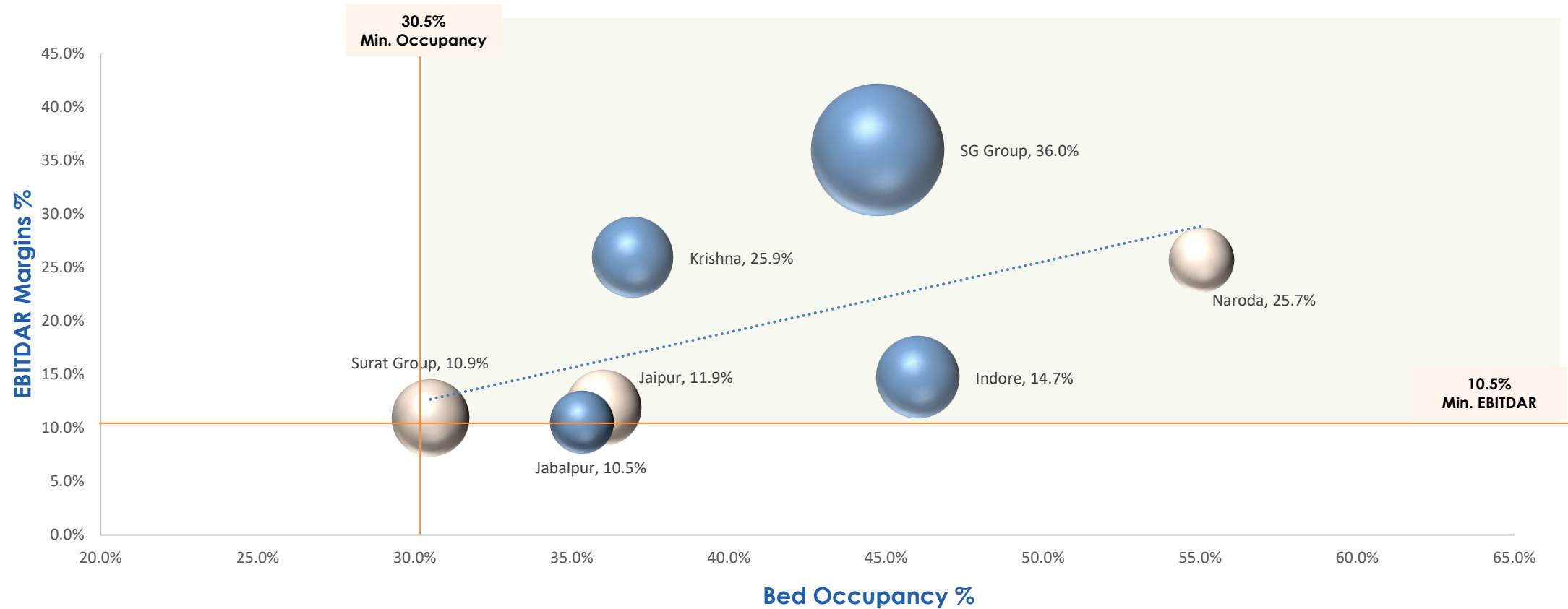


Notes:

1. Hospital and Other EBITDA Margins is a sum of Hospital EBITDA divided by Total Income and Other Income divided by Total Income
2. Corporate Cost primarily comprises of corporate employees, advertisements, CSR expenses, taxes and professional fees
3. All numbers are on FY2020 basis

SHALBY BUSINESS MODEL

Shalby is able to operate hospitals profitability at EBITDA and EBITDAR levels even at a bed occupancy of 30%
Jaipur, Surat and Naroda which have been operational for less than 5 years are currently ramping up



Notes:

1. Mohali is less than 3 years of operation hence not included
2. All numbers are on Standalone FY2020 basis



ANNUAL PERFORMANCE TRENDS

Revenues

Over last two years, Total Revenue increased by 14.0% and EBITDA by 6.1% CAGR with EBITDA margins at 19.7%

Increasing number of patients across all care formats reflects Shalby's strong brand recognition: In Patients 7.5%, Day Care 20.6% and Out Patients 9.9%

Number of beds occupied increased by 8.9% y-o-y and current occupancy rate of 38%, increasing by 4% last year on a like for like basis

Shalby's diversification strategy towards multi specialty will drive patient numbers, surgery count and occupancy rates going forward

Arthroplasty surgeries are increasing in number but declining as a percentage of Total Revenue as part of the diversification strategy

Arthroplasty to reach 35% of total revenues in the coming years with ARPOB reflecting other speciality offerings

Relatively newer hospitals (Jaipur, Mohali, Naroda and Surat) payer mix now moving more towards self-pay which is expected to result in higher ARPOB

Average length of stay increasing in line with greater trend towards non-arthroplasty surgeries

Actively sourcing direct patient referrals from Kenya and Tanzania, in addition to partnerships with international hospitals

Costs

Ongoing optimization of doctor costs within COGS resulting in a move from fixed pay to minimum guarantee to visiting doctor model

Centralized sourcing of medical instruments, devices and other consumables across all Shalby doctors

Greater than 95% of material purchases are from J&J and Meril India; less than 2% from Slaney, a promoter group company

Returns

PBT margins at 11.7% and PAT margins adjusted for cash tax at 9.1%

Well capitalized balance sheet with Debt of Rs. 62 Crores, Cash and investments of Rs. 102 Cr

Strong EBITDA to Cash Flow conversion rate of 55.9%

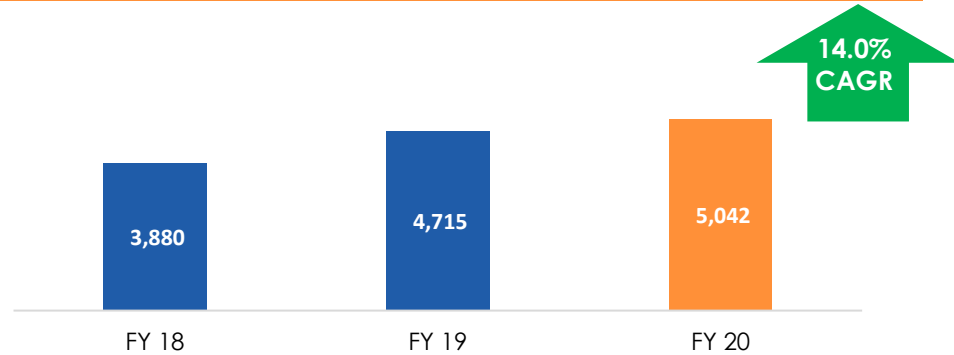
Return on Capital Employed of 7.3% based on current occupancy rate of 38%

Unlevered net debt balance sheet results in lower Return on Equity

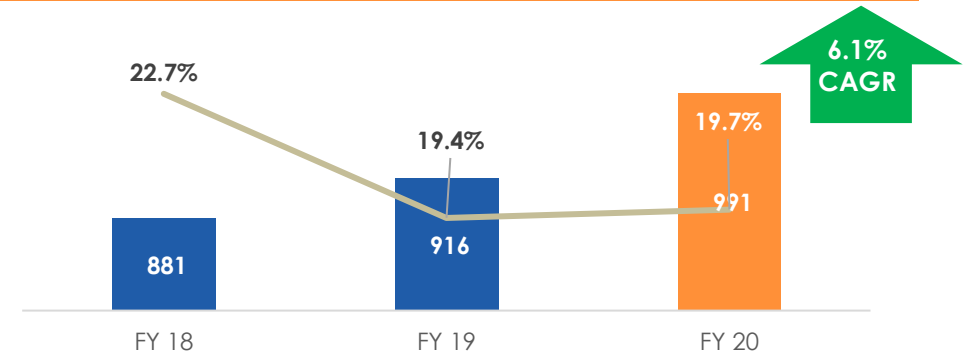
ANNUAL PERFORMANCE TRENDS

Total Revenue increased by 14.0% and EBITDA by 6.1% CAGR with margins at 19.7%

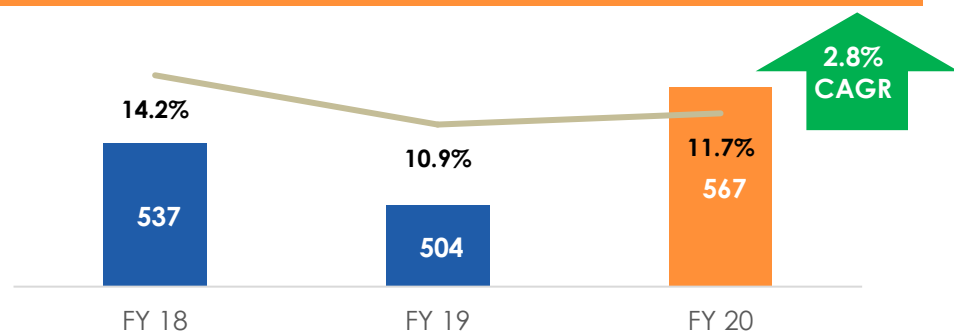
Total Revenue (Rs. Mn)



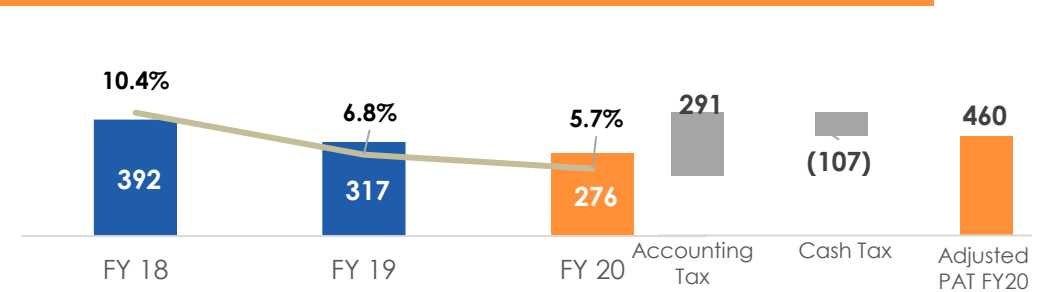
EBITDA (Rs. Mn) and Margin



PBT (Rs. Mn) and Margin



PAT (Rs. Mn) and Margin



Tax Rate	27%	37%	51%
MAT Tax Rate	21%	22%	17%

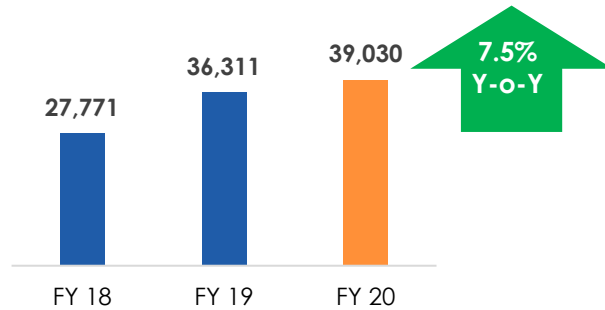
Notes:

- MAT Tax Rate is calculated as actual taxes paid as per MAT divided by PBT
- All numbers are on Consolidated basis

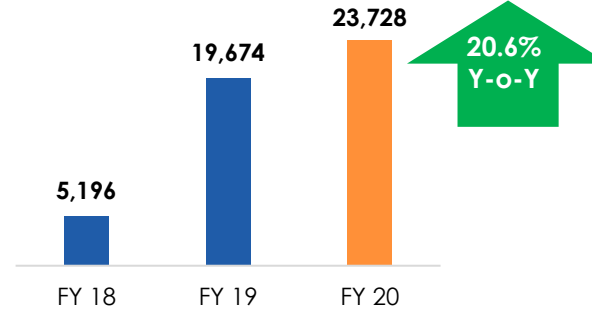
ANNUAL PERFORMANCE TRENDS

Increasing number of patients across all care formats reflects Shalby's strong brand recognition

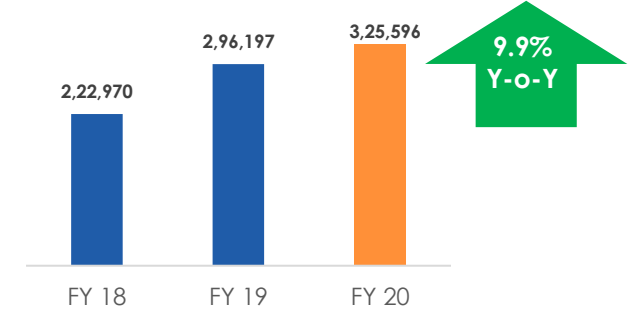
In Patients



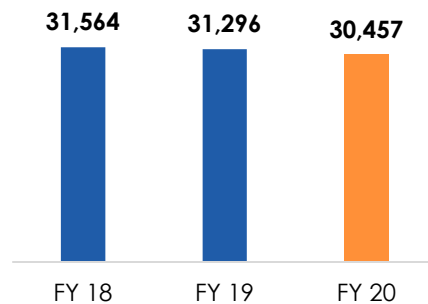
Day Care



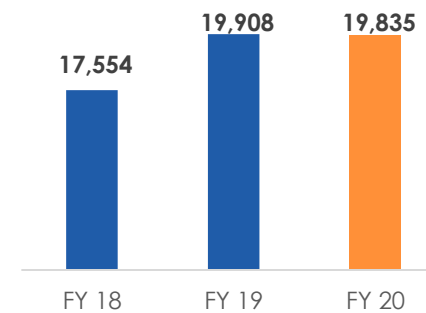
Out Patients



ARPOB (In Rs.)



Surgery Count

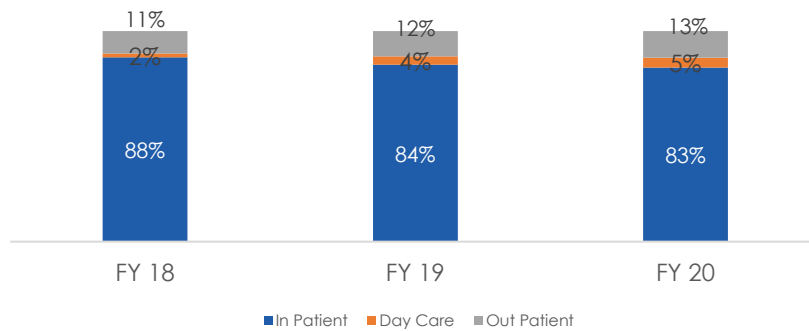


Significant impact on FY20 surgeries due to Covid-19 during March-20

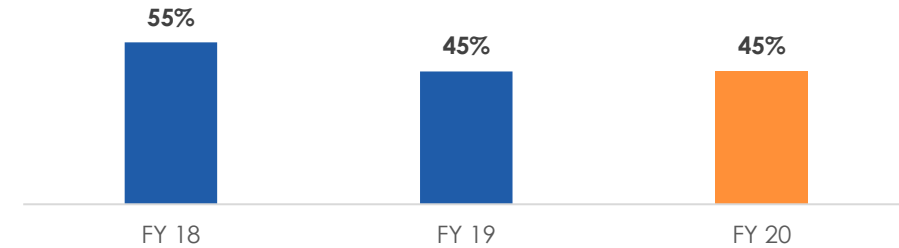
ANNUAL PERFORMANCE TRENDS

Number of beds occupied increased by 8.9% y-o-y and occupancy rate of 38%

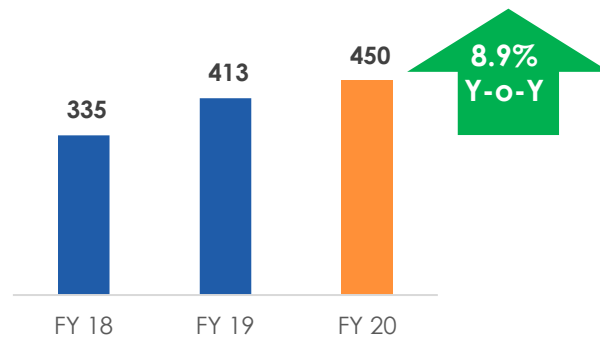
Hospital Revenue Mix by Care



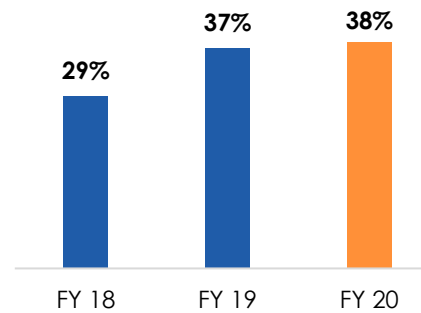
% of Revenue from Arthroplasty



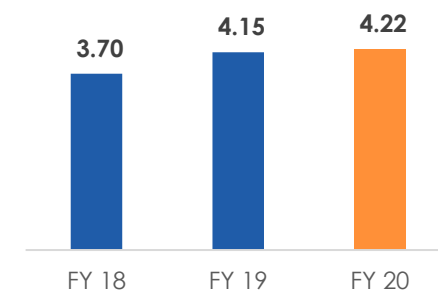
No. of Beds Occupied



Occupancy Rate



ALOS (Days)



Adjusted Occupancy

28%

34%

38%

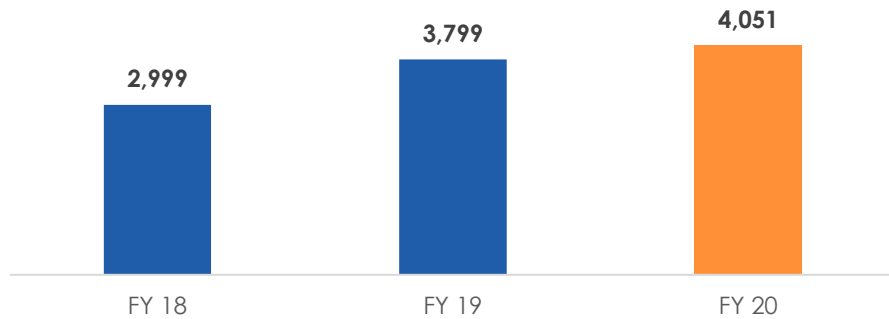
Notes:

- Occupancy rate is on the basis of operational beds. Adjusted occupancy rates is on the basis of FY20 operational beds of 1200
- ALOS is without Day Care

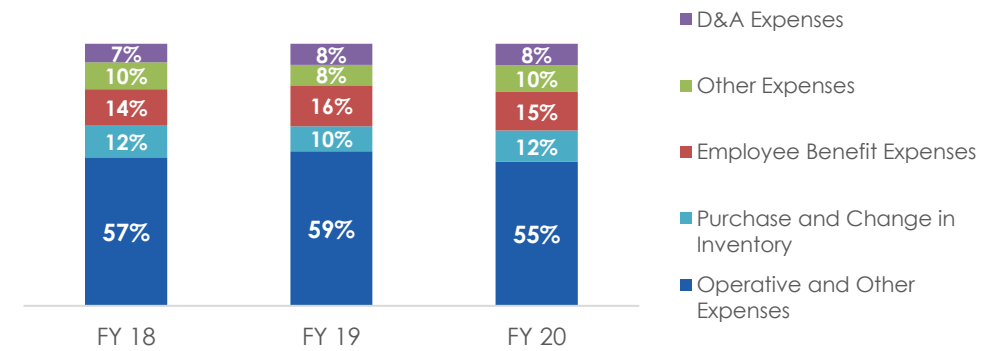
ANNUAL PERFORMANCE TRENDS

Ongoing optimization of doctor cost and centralized sourcing of medical instruments, devices and consumables

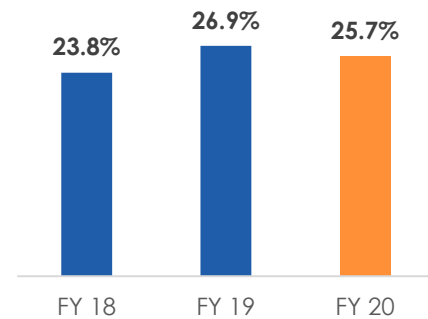
Total Operating Expenses (Rs. Mn)



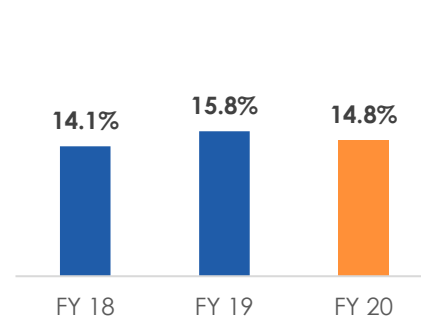
Total Costs ex Finance Cost (Rs. Mn)



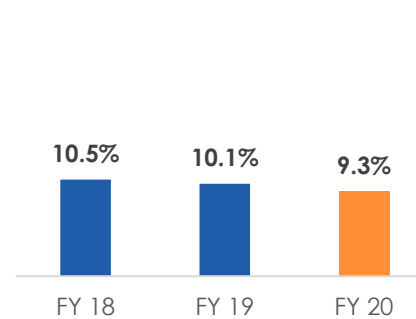
Doctor Costs as % of Revenue from Operations



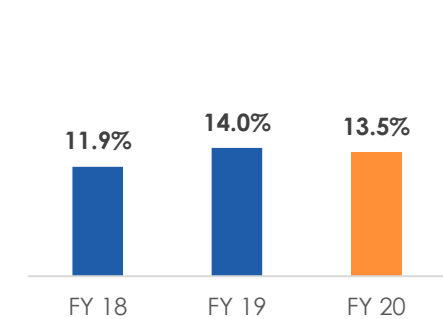
Consumables as % of Revenue from Operations



Other Operative Expense as % of Revenue from Operations



Employee Costs as % of Revenue from Operations

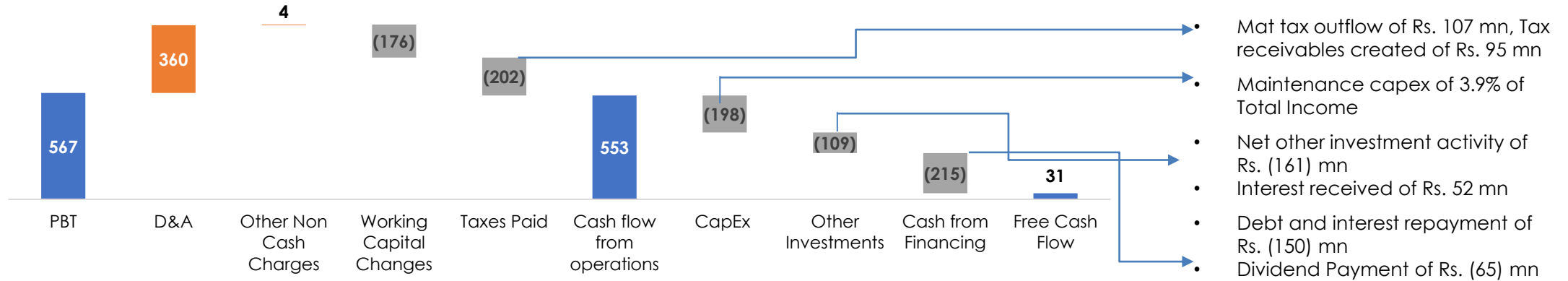


Notes:

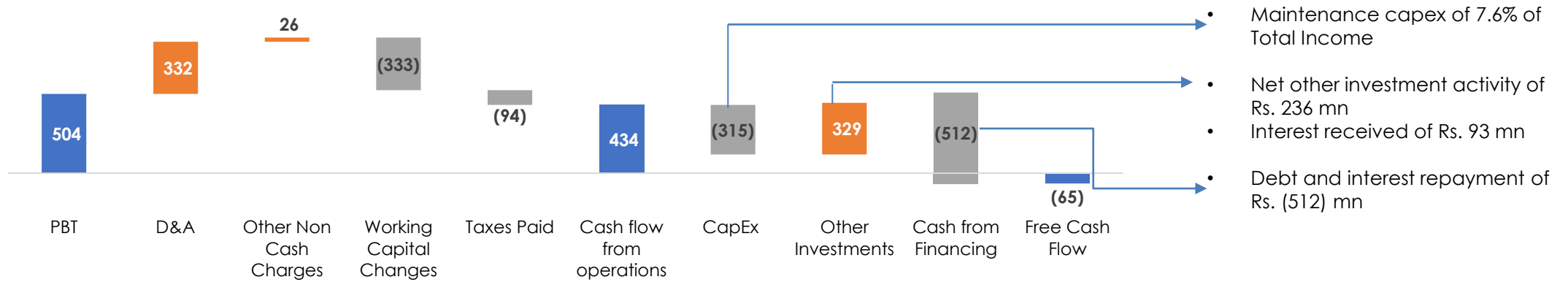
- Total Operating Expenses comprises of Operative and other expenses, Purchase and Change in Inventory, Employee costs and Other Expenses
- All numbers are on Consolidated basis

ANNUAL PERFORMANCE TRENDS

Cash Flow Statement (Rs. Mn) – FY2020



Cash Flow Statement (Rs. Mn) – FY2019



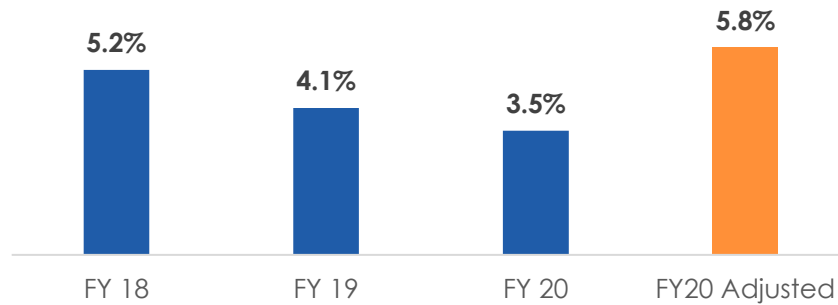
Notes:

1. All numbers are on Consolidated basis

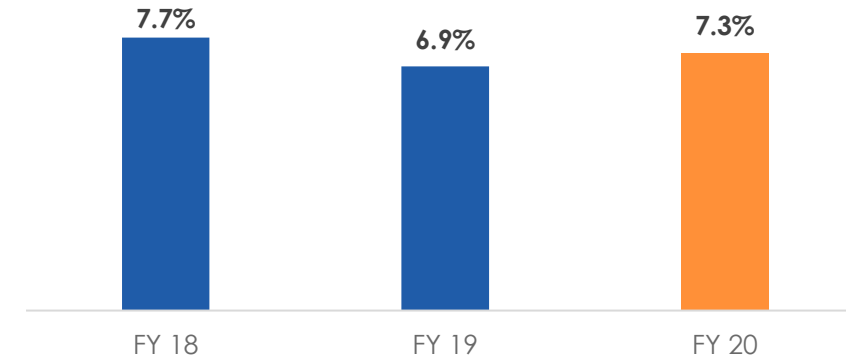
ANNUAL PERFORMANCE TRENDS

Strong EBITDA to Cash Flow conversion rate of 55.9%. Unlevered balance sheet results in lower Return on Equity

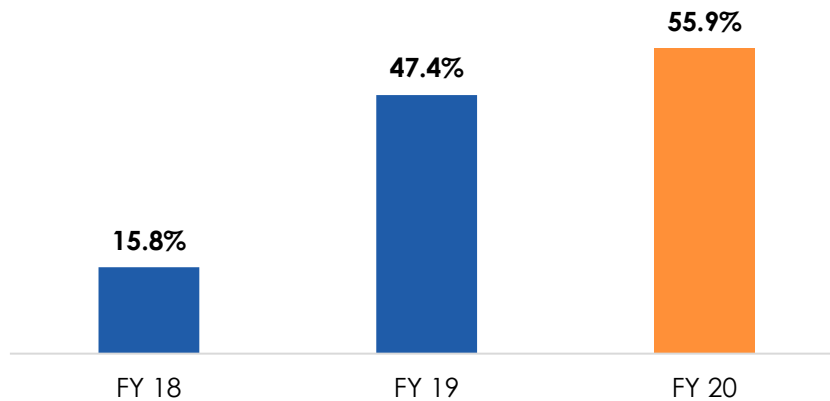
ROE



ROCE



CFO to EBITDA



Capital Structure

Figures in Rs Million	FY 18	FY 19	FY 20
Gross Borrowings	1,137	708	622
Cash and Investments	1,162	862	1,021
Net Debt/ (Net Cash)	(25)	(154)	(399)
Equity	7,515	7,798	7,992

Notes:

1. FY2020 Adjusted ROE is calculated using Adjusted PAT for MAT cash outflow adjustment
2. ROCE is calculated as EBIT divided by Average Capital Employed (Total Assets – Total Current Liabilities)
3. All numbers are on consolidated basis

ANNUAL PERFORMANCE TRENDS

Particulars (in Rs. Million)	FY 18	FY 19	FY 20	CAGR
Revenue from Operations	3,780	4,623	4,869	13.5%
Other Income	100	93	174	31.7%
Total Income	3,880	4,715	5,042	14.0%
Expenses				
COGS	2,219	2,833	2,953	15.4%
<i>% of Revenue from Operations</i>	59%	61%	61%	
Employee Benefit Expenses	451	646	655	20.5%
<i>% of Revenue from Operations</i>	12%	14%	13%	
Other Expenses	330	320	443	15.9%
<i>% of Revenue from Operations</i>	9%	7%	9%	
Total Operating Expenses	2,999	3,799	4,051	16.2%
<i>% of Revenue from Operations</i>	79%	82%	83%	
EBITDA	881	916	991	2.3%
EBITDA Margins %	22.7%	19.4%	19.7%	
Depreciation and Amortisation	229	332	360	
Finance Cost	115	81	64	
PBT	537	504	567	2.8%
Total tax	146	187	291	
<i>Effective Tax Rate %</i>	27.2%	37.1%	51.3%	
PAT	392	317	276	(16.1)%
PAT Margins %	10.1%	6.7%	5.5%	

Note: Margins are calculated on the basis of Total Income

ANNUAL PERFORMANCE TRENDS

Operational Metrics	FY 18	FY 19	FY 20	CAGR
In Patient Count (Nos.)	27,771	36,311	39,030	18.6%
Day Care Patient Count (Nos.)	5,196	19,674	23,728	113.7%
Out Patient Count (Nos.)	2,22,970	2,96,197	3,25,596	20.8%
Surgeries Count	17,554	19,908	19,835	6.3%
ARPOB (Rs.)	31,564	31,296	30,457	(1.8)%
Bed Capacity (Nos.)	2,012	2,012	2,012	0.0%
Operational Beds (Nos.)	1,150	1,102	1,200	2.2%
Occupancy (Beds)	335	413	450	15.9%
Occupancy (%) (operational beds)	29.0%	37.0%	38.0%	14.5%
Average Length of Stay (without Daycare)	3.70	4.15	4.22	6.8%

Note: The operational bed count of 1,200 considers 36 operational beds at Zynova-Shalby Hospital, Mumbai, for which no other operational parameters are tracked

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