

Q1 2021

1. Financial Performance

- **Narrative:** Management discussed ARPOB (Average Revenue Per Occupied Bed) improvement, cost savings and synergies from business normalization, fundraising plans (QIP and NCD), and Brownfield expansion funding. A 15% revenue increase projection for the following quarter was also mentioned, driven by new product launches.

- **Management's Guidance:**

- ARPOB improvement projected in the 5% to 8% range. Approximately Rs. 100 crore in savings and synergies, with 40% expected in the current year and 60% in the next, contingent on business normalization. Fundraising plans: Rs. 1,200 crore through QIP and Rs. 550 crore through NCD. Brownfield expansion to be funded by an equity raise of approximately Rs. 1,000 crore. Projected 15% revenue increase in the next quarter due to new product launches.

Citations:

- [af1027eb6e57ca08f6669c28392e99ca](#)
- [fa3928b6d2d81c3e86185f016b799de4](#)
- [3e65e2127ecc1d09fd150346cbf35d5c](#)
- [d97d2f1d8b8c44b405cdbac2f3c52ec3](#)

- **Actual Results:**

['Q4', '2021']:

- In Q4 2021, gross revenue was INR 1,159 Cr (5% YoY growth), with ARPOB at INR 56.9k (+5% YoY, +11% QoQ). The operating EBITDA margin improved to 24.1% (up from 15.5% in Q4 FY20 and 23.2% in Q3 FY21). Net debt reduced significantly. The full year gross revenue decreased by 12% to Rs.3,861 crore, but H2 showed 8% revenue growth.

Citations:

- [f11a7c5c6a5bab3c1ccd004c6ade2f8c](#)
- [5b6aa9bb8092c75999c5a1c8b6ff4556](#)
- [51430ce0a0db15c9665841f398c990fc](#)
- [3c0a9dcadc6886c24bcada5429987c2e](#)

['Q1', '2021']:

- Gross revenue was Rs. 610 crore (42% lower than the corresponding quarter last year). ARPOB was Rs. 47,200 (5% lower than Q1 of the previous year). Revenue from international patients decreased to 3% from 11% in the previous year. The reported EBITDA loss was Rs. 22.3 crore (post IND-AS 116), or Rs. 32 crore (pre IND-AS 116).

Citations:

- [39df8f9513d5bc91b02a513594f2bc91](#)
- [56aeb3fc1990d891d3d25960d82dd104](#)
- [e620e6cf8b9e128406ad0ec0399c326d](#)

['Q2', '2021']:

- In Q2 2021, gross revenue was Rs. 932 crore, a 52.9% increase over Q1 2021, but a 17% year-on-year decrease compared to Q2 2020. Operating EBITDA was Rs. 143 crore (improved from a loss in Q1 2021), with an operating margin of 16.2%. ARPOB stood at INR 46.4k, a decrease compared to Q2 FY20.

Citations:

- [a2a2fa87a314faf5b35ccfad1155ae91](#)
- [5e41ff1865a1b6794df304b2c2a08837](#)
- [599d2334fdb633735642b039eb4dbf4](#)
- [9ad521b741832ec520b79af42e5dedb8](#)

['Q3', '2021']:

- In Q3 2021, gross revenue was Rs. 1,160 crore, a 6% year-over-year increase and a 24% quarter-over-quarter increase. ARPOB was around Rs. 51,000. EBITDA was Rs. 252 crore, a 58% year-over-year and 75% quarter-over-quarter increase.

Citations:

- [ace22dac185351904d55334180dcb6e5](#)
- [e773cb4b8ef90fe53e2b8687bbb103fa](#)
- [b9984bfd941614c3cb0b71ac3b6263fa](#)

- **Evaluation:**

- **{'evaluation': 'Did not meet expectations', 'evaluation_reason': 'The Q1 2021 results showed a significant revenue decrease (42%), a decline in ARPOB (5%), and an EBITDA loss, falling considerably short of the projected ARPOB improvement, cost savings, and revenue increase.'}**

2. Market Position and Competition

- **Narrative:** Management discussed market share, specifically a decline from 11% pre-COVID to 3% in Q1, with plans to increase it beyond 11%. Future capacity expansion plans (new beds) were also outlined, with timelines spanning three to four years.

- **Management's Guidance:**

- Market share, currently at 3%, is targeted to increase beyond 11% (pre-COVID level). Brownfield expansion expected to add approximately 1000 beds over four to five years. Capacity expansion plans include 600 beds in Mumbai and 350 beds in South Delhi, with a three-to-four-year timeline for completion.

Citations:

- [fa3928b6d2d81c3e86185f016b799de4](#)
- [1dfdb056f5fee2bcd9f716557fab70cd](#)
- [a9b529754ed7c7e7f15bce3c869fab5e](#)
- [0a50017bd18657f63a4de85fd1df5d3f](#)

- **Actual Results:**

['Q4', '2021']:

- In Q4 2021, Max Healthcare and Radiant merged, creating the second largest healthcare chain in India by revenue.

Citations:

- [a43b606579c8f898969eef2563dc0654](#)

['Q1', '2021']:

- No specific actual results data for market share provided in the given data.

Citations:

['Q2', '2021']:

- In Q2 2021, non-COVID tower specialties recovered to over 70% of pre-COVID levels by the end of September.

Citations:

- [a2a2fa87a314faf5b35ccfad1155ae91](#)

- [2c2956d36313bfbad2b33fe27c627091](#)

['Q3', '2021']:

- In Q3 2021, International business grew two to three times over the previous quarter and reached almost 50% of pre-COVID levels. The share of Institutional business decreased from 35% to 31%.

Citations:

- [e773cb4b8ef90fe53e2b8687bbb103fa](#)

- [0376edb8f39d94242b0a5f2270b743d0](#)

- Evaluation:

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': 'The provided data for Q1 2021 lacks specific information on market share to assess whether the company met or exceeded expectations regarding its market position.'}

3. Operational Efficiency

- **Narrative:** Management discussed cost-saving initiatives and targets.

- Management's Guidance:

- Approximately Rs. 300 crore in cost savings and synergies, potentially fully realized in FY22 if it's a normal year. Target of 10% reduction in operational costs for the next fiscal year. Headroom for bed utilization to increase from 73% to 81-82%.

Citations:

- [cb75270a339bd8da035f145cf3caae7](#)

- [d97d2f1d8b8c44b405cdbac2f3c52ec3](#)

- [a9b529754ed7c7e7f15bce3c869fab5e](#)

- Actual Results:

['Q4', '2021']:

- In Q4 2021, Rs. 108 crore worth of structural cost savings were implemented during FY21. Occupancy in Q4 FY21 decreased to 70% from 76% in Q3 FY21.

Citations:

- [3c0a9dcadc6886c24bcada5429987c2e](#)

- [51430ce0a0db15c9665841f398c990fc](#)

['Q1', '2021']:

- In Q1 FY21, average inpatient occupancy dropped to 45.1% from 72.4% in Q1 FY20.

Citations:

- [488fc5e102ded9c496611073a2f862d3](#)

['Q2', '2021']:

- In Q2 2021, cost saving/synergy initiatives with an annualized impact of over INR 90 Cr were implemented in H1 FY21, resulting in an EBITDA impact of INR 65 Cr in FY21.

Citations:

- [a2a2fa87a314faf5b35ccfad1155ae91](#)

['Q3', '2021']:

- In Q3 2021, cost was approximately 15%. Rs. 220 crore in cost savings were implemented from the previous year, and Rs. 80-85 crore of the planned Rs. 100 crore in cost savings for the current year were completed.

Citations:

- [ac9cfcf62c4f7273503c1eeb06a723ba](#)

- [8f11e3b50721768bf8da0eaff9b875b8](#)

- Evaluation:

- {'evaluation': 'Did not meet expectations', 'evaluation_reason': 'The significant drop in inpatient occupancy to 45.1% in Q1 2021 clearly indicates a failure to meet the expected improvement in bed utilization and implicitly suggests that cost-saving targets were not met, given the lower occupancy rate.'}

4. Patient and Customer Satisfaction

- **Narrative:** Management expressed commitment to improving customer satisfaction.

- Management's Guidance:

- Target of 90% customer satisfaction score by year-end.

Citations:

- [d97d2f1d8b8c44b405cdbac2f3c52ec3](#)

- Actual Results:

['Q4', '2021']:

- In Q4 2021, outpatient consultations increased by 25% QoQ to 4.9L.

Citations:

- [57e4b221a2ebd378ed7d94df4874c8ca](#)

['Q1', '2021']:

- No specific actual results data for customer satisfaction score provided in the given data.

Citations:

['Q2', '2021']:

- No specific data on actual customer satisfaction scores is available from the provided Q2 2021 data.

Citations:

['Q3', '2021']:

- In Q3 2021, a 15% increase in patient satisfaction was reported.

Citations:

- [a3937140f186225a5ce916e55b90679b](#)

- Evaluation:

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': 'There is no data on customer satisfaction scores in Q1 2021 to assess progress toward the 90% target.'}