

Q3 2021

1. Financial Performance

- **Narrative:** Management discussed cost-saving initiatives, future expansion plans involving significant capital expenditure, and expectations for EBITDA margin improvement. There's also commentary on potential acquisitions and the future direction of the Institutional segment.

- **Management's Guidance:**

- Reduction in the Institutional segment in the coming quarters; Capital expenditure of Rs. 1,300 to Rs. 1,400 crore over the next four years for expansion; Anticipation of acquisitions over the next year or two; Completion of remaining Rs. 10-15 crore in cost savings (part of a Rs. 100 crore target); Expectation of improved EBITDA margin following the successful implementation of a VRS (voluntary retirement scheme); A target of 18% to 19% EBITDA margin; Generation of Rs. 800 crore to Rs. 1,000 crore of cash flow in three to four years.

Citations:

- [49bbe2c430d5cef28636dcea1bdb36b1](#)
- [9b2a293851f0634728e363ed23348736](#)
- [ab6e942114adedda13ff8e296edb7e7d](#)
- [8f11e3b50721768bf8da0eaff9b875b8](#)
- [15c6330a1d23a12e25faecf436432427](#)
- [4d66a19a1634d2b9c8650f14d399dd1f](#)
- [06dd9c0de1989d329437b0327df89eb0](#)

- **Actual Results:**

['Q4', '2021']:

- In Q4 2021, gross revenue was INR 1,159 crore (a 5% YoY increase and similar to Q3 2021). The operating EBITDA margin was 24.1%, up from 23.2% in Q3 2021 and significantly higher than 15.5% in Q4 2020. The operating EBITDA was INR 263 crore, representing a 68% YoY increase and a 4% QoQ increase. Profit after tax was INR 109 crore, a 141% YoY increase, but down from INR 135 crore in Q3 2021. The company generated over Rs. 140 crore in operating cash flows post CAPEX and interest costs, used to repay debt. Net debt reduced by INR 1,323 crore to INR 544 crore as of March 31, 2021. The full year gross revenue decreased by 12% to Rs. 3,861 crore, while H2 revenues grew by 8%.

Citations:

- [f11a7c5c6a5bab3c1ccd004c6ade2f8c](#)
- [6b8a0b9f743388e61f21efe1fad20ad9](#)
- [5b6aa9bb8092c75999c5a1c8b6ff4556](#)
- [3c0a9dcadc6886c24bcada5429987c2e](#)

['Q2', '2022']:

- In Q2 FY22, gross revenue reached INR 1,434 crore (a 52% YoY increase and 4% QoQ increase), with COVID-19 vaccination revenue dropping to INR 91 crore from INR 136 crore in Q1 FY22. PAT was INR 207 crore. ARPOB (excluding COVID-19 revenue and Max Lab operations) stood at INR 59.0k (+27% YoY and +15% QoQ). Operating EBITDA was INR 362 crore (+153% YoY and +1% QoQ). The company deployed INR 93 crore to secure three prime locations in NCR.

Citations:

- [4d91249f4c2c15e692003131c97894d0](#)
- [478f36be475768d618132feeb43bf222](#)
- [eab8d92f44242f311c44e10fe3315527](#)
- [b148f6057bd270af2eee341a6f9cef9d](#)

['Q3', '2022']:

- In Q3 2022, gross revenue was INR 1,392 Cr (a 20% YoY increase from INR 1,158 Cr in Q3 FY21). Gross IP revenue was INR 1,082 Cr for Q3 FY22 (compared to INR 942 Cr in Q3 FY21). Non-Covid revenue grew by 81% YoY and 5% QoQ. Max@Home revenue was INR 28.2 Cr, a 41% YoY and 3% QoQ growth. Q3 FY22 PAT was INR 252 Cr versus INR 135 Cr in Q3 FY21 and INR 207 Cr in Q2 FY22. Operating EBITDA for Q3 FY22 was INR 364 Cr compared to INR 253 Cr in Q3 FY21 (+44% YoY) and INR 362 Cr in Q2 FY22. Cash generated from operations was INR 212 Cr.

Citations:

- [c52bae160ccc7c1005772bb153c52166](#)
- [263fe3fdeda89e16d5a65173391709d2](#)
- [5ce9f42af3dca679c51a99260852c01b](#)

['Q3', '2021']:

- Gross revenue for Q3 FY21 was Rs. 1,160 crore, a 6% year-over-year and 24% quarter-over-quarter increase. Operating EBITDA was Rs. 253 crore, a 76.5% year-over-year increase. The EBITDA margin for Q3 FY21 was 23.2%. ARPOB (Average Revenue Per Occupied Bed) was around Rs. 51,000. The Institutional patient bed share reduced to 32%.

Citations:

- [ace22dac185351904d55334180dcb6e5](#)
- [e773cb4b8ef90fe53e2b8687bbb103fa](#)
- [b9984bfd941614c3cb0b71ac3b6263fa](#)
- [2c6378775680c46841a78eb0dbd9e709](#)

- **Evaluation:**

- {'evaluation': 'Partially Met expectations', 'evaluation_reason': "While Q3 2021 showed a significant YoY increase in operating EBITDA and a reduction in the Institutional segment's share, there's insufficient data within Q3 2021 to assess progress on acquisitions, the full cost-saving initiative, or the long-term cash flow and EBITDA margin targets."}

2. Operational Efficiency

- **Narrative:** Management discussed occupancy levels, expansion plans (new bed capacity), and the impact of COVID-19 on occupancy. There is also mention of brownfield projects.

- **Management's Guidance:**

- A reduction in dependency on Institutional business and repurposing of beds as new capacity comes on stream over the next three to four years; Plans for 350 new beds in Delhi (with potential for 650 more) and 500 beds in Mumbai (with initial launch of 152 beds); Commencement of Brownfield projects and construction

in the beginning of Q1FY22.

Citations:

- [0376edb8f39d94242b0a5f2270b743d0](#)
- [dc72caabd5247053ac4c6e469f4530b4](#)
- [7c8326bf5436b8d455db47c21d0dfbb8](#)

- Actual Results:

['Q4', '2021']:

- In Q4 2021, average inpatient occupancy was 69.8%, similar to Q4 2020 but down from 76.2% in Q3 2021. Outpatient consults increased by 25% QoQ to 486,000. Average length of stay (ALOS) was 4.6 days, better than 5.4 days in Q3 2021 but slightly higher than 4.5 days in Q4 2020.

Citations:

- [c16ced6f3fa0b970c9dce01c990ac7be](#)
- [57e4b221a2ebd378ed7d94df4874c8ca](#)
- [f11a7c5c6a5bab3c1ccd004c6ade2f8c](#)

['Q2', '2022']:

- In Q2 FY22, occupancy reached 75.2%, ALOS normalized to 4.3 days (pre-COVID level), compared to 5.4 days in Q2 FY21 and 5.9 days in Q1 FY22. 34 operational beds were added during Q2 FY22.

Citations:

- [999d6fc4fd72d7de8d68bf1bb5c4cbcb](#)
- [e09869be03187dbf0ae840246861fe31](#)
- [7bf99c9668441d3f4a601d1196cb11c9](#)

['Q3', '2022']:

- In Q3 2022, occupancy was 74.3% versus 76.2% in Q3 FY21 and 75.2% in Q2 FY22. ALOS continued to be at 4.3 days in Q3 FY22 versus 5.4 days in Q3 FY21. OP consults reduced by 7% QoQ and stood at 5.4 lakhs in Q3 FY22 due to seasonal factors and reduced footfalls of institutional patients.

Citations:

- [c52bae160ccc7c1005772bb153c52166](#)
- [263fe3fdeda89e16d5a65173391709d2](#)

['Q3', '2021']:

- In Q3 FY21, average inpatient occupancy was 76.2%, ALOS (Average Length of Stay) was 4.3 days.

Citations:

- [d7a8be5a737d5b4aa162209ba62bb24d](#)

- Evaluation:

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': 'The Q3 2021 results only provide occupancy and ALOS data; there's no information on the progress of expansion plans or brownfield projects within the Q3 2021 timeframe.'}

3. Regulatory Environment

- **Narrative:** Management mentioned efforts to comply with unspecified regulations to raise additional funds.

- Management's Guidance:

- Expectation of raising Rs. 1,100 to Rs. 1,200 crore in the near future to comply with regulations.

Citations:

- [77651c44b2147e125a51665d09e1a40b](#)

- Actual Results:

['Q4', '2021']:

- No specific results related to this guidance are available in the provided data.

Citations:

['Q2', '2022']:

- No specific actual results related to fund raising are provided in the Q2 FY22 data.

Citations:

['Q3', '2022']:

- No specific actual results related to this guidance are provided in the data.

Citations:

['Q3', '2021']:

- No specific actual results related to this guidance are available in the provided data.

Citations:

- Evaluation:

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': 'The provided data for Q3 2021 contains no information on whether the company raised the targeted funds.'}

4. Patient and Customer Satisfaction

- **Narrative:** Management commented on OPD footfalls and expectations for normalization.

- Management's Guidance:

- Expectation that OPD footfalls will normalize to pre-COVID levels over the next few months.

Citations:

- [e773cb4b8ef90fe53e2b8687bbb103fa](#)

- Actual Results:

['Q4', '2021']:

- In Q4 2021, outpatient (OP) consults stood at 490,000, a 25% increase quarter-over-quarter.

Citations:

- [57e4b221a2ebd378ed7d94df4874c8ca](#)

['Q2', '2022']:

- In Q2 FY22, OPD consults increased by 49% QoQ to 5.8 lakhs.

Citations:

- [612cee722c5af750da2cf00552e85103](#)

- [e09869be03187dbf0ae840246861fe31](#)

['Q3', '2022']:

- In Q3 2022, ~33,800 OPD and ~1,170 IPD patients from economically weaker sections were treated free of charge. OP consults reduced by 7% QoQ and stood at 5.4 lakhs in Q3 FY22.

Citations:

- [263fe3fdeda89e16d5a65173391709d2](#)

- [ba13bfd240b60674d40173af581c4f33](#)

['Q3', '2021']:

- OPD footfalls were at 65% to 70% of pre-COVID levels in Q3 FY21, with expectations of normalization in the following months.

Citations:

- [e773cb4b8ef90fe53e2b8687bbb103fa](#)

- Evaluation:

- {'evaluation': 'Did not meet expectations', 'evaluation_reason': 'OPD footfalls in Q3 2021 were below the pre-COVID levels, indicating that the normalization expectation was not met within that quarter.'}