Yatharth Hospital & Trauma Care Services Limited

CIN No.: L85110DL2008PLC174706

YH/SE/72/2026-27
November 12, 2026

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1
G Block, Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051, India

Symbol: YATHARTH
ISIN: INE0JO301016

Dept. of Listing Operations
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001, India

Scrip Code: 543950
ISIN: INE0JO301016

Subject: Earnings Call Transcripts Q2FY27

Dear Sir/Madam,

Pursuant to Regulation 46(2)(oa) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclosed the transcript of Investors' conference call organized on November 04, 2026, post declaration of Unaudited Financial Results (Standalone & Consolidated) of the Company for the quarter and half year ended September 30, 2026.

The transcript will also be available on the Company's website at https://www.yatharthhospitals.com/investors/corporate-announcements

This is for your kind information and records.

Thanking You

Yours Faithfully,
For **Yatharth Hospital & Trauma Care Services Limited**

RITESH MISHRA

Digitally signed by RITESH MISHRA
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Ritesh Mishra
Company Secretary & Compliance Officer
M. No. A51166

Encl.: A/a

“Yatharth Hospital & Trauma Care Services Limited

Q2FY27 Earnings Conference Call”

November 04, 2026

MANAGEMENT: **MR. YATHARTH TYAGI – WHOLE-TIME DIRECTOR**
MR. AMIT KUMAR SINGH – GROUP CHIEF EXECUTIVE OFFICER
MR. NITIN GUPTA – PRESIDENT FINANCE AND GROUP CHIEF OPERATING OFFICER
MR. PANKAJ PRABHAKAR – GROUP CHIEF FINANCIAL OFFICER
MR. ASHUTOSH KUMAR JHA – GROUP CHIEF - STRATEGY, M&A AND INVESTOR RELATIONS
MR. SONU GOYAL – GROUP CHIEF FINANCE CONTROLLER

MODERATOR: **MR. KASHISH THAKUR – ELARA SECURITIES**

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Moderator: Ladies and gentlemen, good day and welcome to the Yatharth Hospital & Trauma Care Services Limited Q2 FY27 Earnings Conference Call hosted by Elara Securities. 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 star then zero on your touch-tone phone.

I now hand the conference over to Mr. Kashish Thakur from Elara Securities. Thank you, and over to you, sir.

Kashish Thakur: Thank you so much, Ritija. Good morning, everyone. On behalf of Elara Securities, we welcome you all to the Q2 FY27 Earnings Conference Call of Yatharth Hospital & Trauma Care Services Limited.

We have with us senior management of the company represented by Mr. Yatharth Tyagi, Whole-Time Director, Mr. Amit Kumar Singh, Group Chief Executive Officer, Mr. Nitin Gupta, President Finance and Group Chief Operating Officer, Mr. Pankaj Prabhakar, Group Chief Financial Officer, Mr. Ashutosh Kumar Jha, Group Chief Strategy - M&A, and Investor Relations, and Mr. Sonu Goyal, Group Chief Finance Controller.

I now hand over the call to Yatharth management for the opening remarks. Over to you, Yatharth sir.

Yatharth Tyagi: Thank you. Good morning, everyone. This is Yatharth Tyagi, Whole-Time Director. Welcome to Yatharth Hospital & Trauma Care Services Limited's earnings conference call for the quarter and half year ended September 30, 2026. Our earnings presentation has been uploaded to the stock exchanges and our website. I hope you have had an opportunity to review it.

Well, this is an important moment in Yatharth Hospital's journey. Quarter 2 FY27 was the strongest quarter to date, with revenue growth of 52% year-on-year and EBITDA growth of 50%. Our existing hospitals at Noida, Greater Noida, Noida Extension, and Jhansi-Orchha continue to deliver sustained performance with 24% year-on-year revenue growth. These have been true contributors to our profitability, with an EBITDA margin upwards of 28% for these specific hospitals.

At the same time, our newer hospitals continue to ramp up, now contributing 28% of group revenue compared to 11% in the corresponding period last year. Collectively, these hospitals have moved from an EBITDA loss a year ago to positive EBITDA during H1.

Notably, since our listing in August 2023, Yatharth Hospitals has not only more than doubled its capacity from 1,405 beds to about 2,800 beds, but also tripled its revenues and profits. In our earlier communications, we have shared our target of further doubling this capacity in the coming few years. However, the opportunity in the healthcare sector is much, much bigger.

Hence, to accelerate our growth journey further, we have entered into a strategic partnership with Advent International for a primary capital investment of INR3,150 crores through a preferential issue of equity shares and warrants. The transaction is awaiting necessary regulatory approvals.

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We view this partnership as much more than just a capital infusion. Advent brings over 35 years of healthcare investment experience and significant expertise in building and scaling healthcare platforms. We believe this combination of long-term capital and institutional experience will strengthen our ability to pursue growth opportunities with greater scale and discipline.

With Advent as a partner, we now aim to build a larger franchise of 7,000 to 8,000 beds over the next three to five years. We can now move faster and act on larger opportunities while ensuring the same discipline in execution. This partnership is also a vote of confidence in what our team has built, a growing network, a proven ability to turn around the hospitals we acquire, and a steady focus on clinical quality.

I would like to acknowledge the people behind this progress, our doctors, nurses, management, and all our employees for their commitment, our patients and their families for the trust they place in us, and our shareholders for their continued support as we have expanded the network. Against this strategic backdrop, our teams continue to remain focused on clinical excellence.

At our cluster in Noida and Faridabad, we are now among the most reputed hospitals of the region. At Greater Noida, our teams managed a rare liver condition and reconstructed two nerves in a single sitting for a brachial plexus injury, a procedure very few centers in the region offer. At Faridabad Sector-20, we launched the region's first memory clinic.

In recognition of clinical excellence, we have received the Hospital Excellence & Innovation Award at the Health & Wellness Excellence Awards 2026, from ASSOCHAM. Our Noida and Greater Noida hospitals ranked among the top in the Noida-Ghaziabad region in the Times of India rankings.

We were recognized across multiple specialties in the Outlook Best Hospital Rankings 2026. Now shifting to the operating highlights for the quarter. Our ARPOB rose 11% year-on-year to approximately INR36,000. Our occupancy stood at a healthy 72% on the currently operationalized beds.

As we ramp up, about 350 to 400 beds are yet to be operationalized across Faridabad, Model Town, and Agra, presenting meaningful headroom for growth. While existing hospitals continue to compound, our newer hospitals are scaling well and contributing more to the network every quarter.

Faridabad Sector-20 shows what our acquisition and turnaround playbook can deliver. The hospital has turned EBITDA positive in record time and generated revenue of approximately INR40 crores in the last quarter. More than 80% of its business comes from cash and private insurance patients, with ARPOB of approximately INR40,000.

Our New Delhi hospital at Model Town is following the same path. In quarter 2, it reported revenue of approximately INR26 crores and ARPOB of around INR50,000, which places it among the premium hospitals in NCR, alongside Noida Extension, where ARPOB has also crossed INR50,000.

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We expect the Model Town Hospital, Delhi, to break even in the second half of this financial year. Agra, which is our first corporate hospital in that region, has improved steadily since we took it over. In Q2, the hospital remained EBITDA positive on revenue of approximately INR20 crores.

Next is Gurugram, our upcoming 250-bedded hospital in Sector 40, which is progressing well and is expected to operationalize in the next financial year. The hospital is expected to serve the premium Gurugram market, given its location in a high-potential catchment and its proximity to the Delhi airport, with an anticipated ARPOB of above INR50,000.

We will continue to evaluate further expansion opportunities with a careful view on strategic fit, quality, and returns. We have a model that has been tested, a network that is delivering growth and profitability, and the resources to scale it further.

Our aim is to build a high-quality, scaled healthcare network and to create lasting value for all our shareholders. We begin this next phase from a position of strength and with confidence in what lies ahead. Thank you once again for your continued trust and support.

I will now hand over to our Group CFO, Mr. Pankaj Prabhakar, who will take you through the financial performance in greater detail.

Pankaj Prabhakar: Thank you, Yatharth, and good morning, everyone. I will take you through the group's financial and operating performance for quarter 2 and H1 FY27. The group delivered its highest-ever quarterly revenue of INR4,314 million in quarter 2 FY27, representing growth of 52% year-on-year and 10% sequentially. Revenue for H1 FY27 stood at INR8,241 million, up 52% year-on-year.

This performance reflects the contribution of our established hospitals as well as the increasing scale of our newer facilities. Our existing hospitals at Noida, Greater Noida, Noida Extension, and Jhansi-Orchha contributed INR3,109 million in quarter 2, registering year-on-year growth of 24%. Inpatient volumes across these hospitals increased 28%, while occupancy improved to 78% from 71% a year ago.

Noida and Jhansi-Orchha operated at occupancy levels above 90%, while Greater Noida reported 78% and Noida Extension 61%. Our newer hospitals at Greater Faridabad, New Delhi, Faridabad Sector-20, and Agra contributed INR1,205 million, representing 28% of group revenue. Greater Faridabad achieved healthy occupancy of 77%. Faridabad Sector-20, Agra, and New Delhi continue to ramp up their operational census beds.

Group ARPOB reached an all-time high of INR36,000, up 11% year-on-year. Noida Extension and New Delhi reported an ARPOB of approximately INR50,000, Greater Noida approximately INR43,000, Faridabad at INR40,000, Noida INR37,000, Greater Faridabad INR35,000, and Agra at INR33,000. As some of our newer and premium hospitals are scaling up and the specialty mix continues to improve, we expect our group ARPOB to improve meaningfully in the coming years.

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Talking about margins and profitability. Quarter 2 EBITDA was a record INR1,020 million, increasing 50% year-on-year and 11% quarter-on-quarter. EBITDA margin improved to 23.6% as the newer hospitals are now running profitably. Excluding the ramp-up losses at New Delhi and Faridabad Sector-20, our adjusted EBITDA margin was healthy at 28%. Profit after tax stood at INR485 million for quarter 2, up 17% year-on-year, and INR939 million for H1.

However, cash profit, which adds back the impact of depreciation to the PAT, actually increased 36% year-on-year. Our operating cash flow during H1 was INR1,113 million, an increase of 49% year-on-year. As of September 30, 2026, the cash and bank balances stood at INR4,289 million, and net debt stood at INR392 million.

This provides us with a comfortable balance sheet position as we continue to invest in the network and prepare for the next phase of expansion. To summarize, quarter 2 and H1 FY27 have been marked by strong revenue growth and improving contributions from our newer hospitals.

We have also maintained healthy cash generation and a comfortable leverage position. With the proposed Advent partnership, we believe we are well-positioned to pursue the next phase of growth while remaining focused on execution, returns, and quality of care. Thank you for your time.

I will now hand over the call back to the moderator for the question-and-answer session. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. First question is from the line of Aryan Jain from Groww Mutual Fund. Please go ahead.

Aryan Jain: Yes. Hi. Thank you for the opportunity, and congratulations on a great set of numbers. So my first question was, what would be your payer mix for this quarter?

Yatharth Tyagi: So payer mix for this quarter is close to 34%, which is down a few percent from the last quarter.

Aryan Jain: That is the government institution business?

Yatharth Tyagi: That is the government institution business, and the rest is equally divided between private insurance and cash patients, with private insurance having a few percentage points more than the cash business. The international business remains close to around 4%-5% at the current payment level.

Aryan Jain: You said 34%, right? The government mix. How much was it last year?

Yatharth Tyagi: 34% is this quarter's government mix, and last quarter it was 37%.

Aryan Jain: Okay, understood. My second question was, sorry if I missed it in the initial remarks, but what are our occupancy levels at Delhi, Faridabad, and Agra?

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Nitin Gupta: So we have ramped up occupancy from 68% in the last quarter to 72% in this quarter on a blended level. However, as you asked about Model Town, it has increased to 41% in this quarter. The new hospital at Faridabad has increased to 59%, and Agra has been at 58% as of now.

Aryan Jain: Okay.

Ashutosh Kumar Jha: Also to note, not all the beds are operational in these hospitals, so there are beds yet to be opened.

Aryan Jain: Yes, that was my follow-up actually. Since now the occupancies are closer to 60%, any timelines for further opening of the rest of the beds?

Ashutosh Kumar Jha: I think within the next couple of quarters, maybe two to three quarters, we should be opening all the beds.

Aryan Jain: Okay. Just one last question. What would be the share of pharmacy business to our overall revenue?

Amit Kumar Singh: I think lots of procedures come with packages, so we do not calculate it or look at it that way, as a standalone pharmacy business, right? If the question is to draw some inferences about what is going on with the government and the court's comments on all these things, I think it is very premature as of now.

That is how it is being directed. I think the industry has also made representations to the government as part of it. Let us see how it goes. Just to clarify, we do not look at the absolute pharmacy percentage in that way.

Aryan Jain: Okay, understood. Thank you. I will join the queue again for further questions.

Moderator: Thank you. Next question is from the line of Praveen from Fortune Towers Investment Please go ahead.

Praveen: Hello, sir. Can you hear me?

Amit Kumar Singh: Yes.

Praveen: Good morning. Congratulations on a good set of numbers. Let us address the elephant in the room. Can you guys comment on what will be the implication on your top line and bottom line because of cancer medication capping? That is my first question. Second question is, any new assets we are planning in this year? When can we expect the closure of the Advent deal? Thank you. These are my two questions. Thank you.

Yatharth Tyagi: On your first question about the capping on the certain list of cancer drugs, we have done our homework. We have calculated that, for the existing list of cancer drugs where margins are capped at 30%, the overall impact on our EBITDA numbers is a reduction of around 0.3% because of that specific pricing on oncology drugs.

However, despite the 0.3% reduction due to cancer drugs, our guidance for overall company-level EBITDA, which is close to 24% in the coming quarters and years ahead, remains

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unchanged. For this 0.3% reduction in cancer drugs, we are already figuring out and coming up with strategies to compensate this into other operational efficiencies and line items and other ways of compensating for this. Our overall group level EBITDA will not change going forward because of this policy.

Praveen: Understood. Thank you. So can you comment on the second question, please, Advent deal?

Yatharth Tyagi: Yes, I think the Advent deal is at the CCI approvals final stages. I think post Diwali, we can expect it to get the approval this month itself. We are looking forward to that.

Praveen: All right. Yes. Thank you so much. I wish you all the best and let more people be treated at your hospitals. Thank you so much.

Moderator: Thank you. Next question is from the line of Shrikant Akolkar from Nuvama. Please go ahead.

Shrikant Akolkar: Hi, good morning. Thanks for taking my question. Just on Advent deal, just want to know in how many tranches will you receive this money?

Ashutosh Kumar Jha: Yes. So the Advent money of INR3,150 crores will come in two tranches. The first tranche will be INR1,750 crores, which will be received after the CCI approval this month. And the next tranche will be received after 15 to 18 months based on certain conditions. So in terms of the utilization of funds.

Shrikant Akolkar: Understood. And on the expansion strategy now, because we've got a solid partner as well. So how are we thinking of the expansion? So in terms of the size of the asset, maybe potentially ARPOB, kind of ARPOB that we will look at, if it's multi-specialty, single specialty, or maybe standalone hospital or chain of hospitals. So what should be our strategy?

Ashutosh Kumar Jha: Our focus remains on multi-specialty hospitals. Now we are, of course, looking at much larger deals, and we are looking for a chain of hospitals also. I mean, we are looking for hospitals which potentially can have a better ARPOB than us. And we are looking across North India as a priority, and we are also open to other areas if we have a chain of hospitals available.

Yatharth Tyagi: Also, the assets that we will continue to acquire from this fund will always be EBITDA positive hospitals. There will be no absolute drag on the absolute EBITDA because of these acquisitions going forward.

Shrikant Akolkar: Understood. In terms of the timeline, you have said that in next three to five years, you want to more than double the capacity. At the same time, we also have our own expansion ongoing, and now we have got additional money. If you can go into a little bit of detail on this, how many beds will get added next year, and maybe if there is a schedule, broad schedule, that will really help us.

Yatharth Tyagi: I think we do not have specific one-year or six-month guidance. The breakup of the expansion is that on our existing organic plan, we had announced going to 5,000 bed capacity, close to three to four years going forward. That remains the same. On top of that, around 2,000 to 3,000 beds we expect to add because of this recent deal, again, in close to four years going forward.

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Shrikant Akolkar: Understood. Thank you very much for responding to me. Thank you.

Moderator: Thank you. Next question is from the line of Aanchal Maheshwari from Naredi. Please go ahead.

Aanchal Maheshwari: Sir, if I may, can you please repeat the ARPOB for each of the hospitals?

Nitin Gupta: Yes, sure. As we said, the blended ARPOB for this quarter is around INR36,000. And we are pleased to share with you that the highest ARPOB has been at the Noida Extension Hospital, at around INR51,000.

Likewise, Delhi is at around INR47,000, followed by Greater Noida at INR43,000, Greater Faridabad at INR33,000. Noida at INR37,000, the new Faridabad Hospital at INR37,000, and Agra at around INR33,000. And Jhansi is around INR14,000.

Aanchal Maheshwari: Thank you so much.

Nitin Gupta: The y-o-y growth of the ARPOB is around 11%.

Aanchal Maheshwari: Right. Thank you so much.

Moderator: Thank you. Next question is from the line of Surya Narayan Nayak from Sunidhi Securities. Please go ahead.

Surya Narayan Nayak: Hello. Congratulations on the excellent set of numbers. One question is that now, considering the EBITDA to CFO conversion of historically 70%, this quarter, this half, we have seen some kind of softness. When can we expect things to improve, as the payer mix has also improved compared to last year? What is the take on that?

Ashutosh Kumar Jha: Surya, normally the collection in H1 is lower than the full year collection. That is why you would see a slight dip in the OCF conversion rate. But at the end of the year, we should expect upwards of 70% conversion.

Surya Narayan Nayak: Okay. Secondly, you are saying that you are looking for the hospitals which are actually having ARPOB potential higher than ours. So in that case, will your stand of increasing bed capacity beyond 5,000 hold, given the cash flow or the cash in hand you are having?

Ashutosh Kumar Jha: Yes, our existing plan of 5,000 beds organically through our internal accruals remains as it is. The additional money that we are receiving from Advent, this is more for further accelerating growth, as we have mentioned, to buy about 2,000 plus beds.

Surya Narayan Nayak: So these 2,000 beds you are planning in which year? I mean, is it an FY28 or FY29 scenario?

Yatharth Tyagi: You see, I mean, the way we're looking at it, close to 2,000 beds should be clocking combined revenue within the next three to four years. However, the acquisition of the -- because we are receiving the first tranche anytime this month, we would like to deploy the first tranche as soon as possible. So maybe around 40%-50% of those beds can actually go live from the next financial year itself.

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Surya Narayan Nayak: Okay. Can you give some traction? We have some understanding till FY28, but how will the incremental flows come, as far as P&L traction from FY29 is concerned? If you can guide, because I understand that now there are some which will be related to the kind of hospitals we are going to acquire.

So maybe if it is a running hospital, obviously the CAGR will be improving and obviously there will not be an EBITDA drag. But if you can give some color for FY29, because we have clarity till FY28?

Yatharth Tyagi: Our existing organic plan of 30% revenue growth, on a y-o-y basis, is easily visible for the next three to four years on the existing plan before the Advent deal. So that will continue on that same trend. What we expect is, how we're looking at it, we have not set a one- or two-year target. The way we look at it, we will be deploying the additional INR3,150 crores to acquire more assets that add absolute EBITDA and revenue. So this will be above and beyond that.

I mean, even our existing plan of 30% revenue growth over the next 3.5 years translates to almost 2.5x. If we add the INR3,150 crores of deployment to that, I think EBITDA can easily be added on top of this 2.5x, which should easily take us past 3x the current numbers in the next 3.5 to 4 years.

Surya Narayan Nayak: Okay. Lastly, from Model Town point of view, when the ramp-up happens, let's say occupancy improves to close to 50%-60%, are you facing any kind of competition in that area?

Amit Kumar Singh: The Model Town, yes, there are a couple of hospitals in there, but we are very clear in our thought process where we are. It is an absolute, very -- heavily populated area, right? So very densely populated. So far, the growth is very good. I think the next quarter, probably end of the quarter, this would be EBITDA positive.

Surya Narayan Nayak: Thank you.

Moderator: Thank you. Next question is from the line of Khush Jain from neev.money. Please go ahead. Mr. Khush Jain, please go ahead with the question. Your line is unmuted.

Khush Jain: Can you hear me?

Moderator: Yes.

Khush Jain: Sir, my first question is regarding the medical tourism. What is your strategy to increase the contribution of international patients to your overall revenue? Which international markets are you targeting, and what initiatives are you taking to attract more patients, such as partnerships with overseas hospitals or international healthcare agencies? Additionally, what targets are you aiming for over the next three to five years, and how could this segment improve your ARPOB, revenue growth, and overall profitability?

Amit Kumar Singh: We started focusing on the international market last financial year, right? I am very happy to see the kind of strategic alliances and partnerships which we have formed in various international markets. I think it has started paying off. Just to give you the perspective that last year H2 versus

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this year H1, our international business has grown by more than 35%. However, it is still in single digits as a share of the top line, but we are making a very significant move and various regions like CIS are contributing.

However, it has been affected in the last couple of months because of the war , gulf situation and other things. But still, I think we are making a very steady progress in this region. CIS particularly and African market is contributing very well, right? We have done lots of tie-ups, whether in Mauritius, Ethiopia, South Sudan or other regions. So we have channel partners there.

There are a couple of alliances which we have done with the hospitals as well, right? So we are doing good and as far as contribution is concerned, I think that is the ARPOB always -- and we all know that the international business contributes a very high ARPOB. So I think it is going as per expected line.

The next three to four years are going to be fantastic because Noida airport has still not opened for the international market. That is going to be a significant addition for us. That is what we are hoping for. And we have a great plan as far as international is concerned. There is a separate team working on it. So it looks very, very positive.

Khush Jain: Yes, interesting. So next question is regarding Advent International. So Advent International, what would be the capex per bed for the greenfield expansion you are planning?

Yatharth Tyagi: So mostly we are not planning any major greenfield expansion from the money that we have received from Advent. As we said that we will be acquiring running assets, we will be acquiring EBITDA positive assets, and the total bed capacity that we can look to add from that amount should be close to 2,000 beds in total.

Khush Jain: Okay. So from INR3,000 crores of money, you can additionally acquire 2,000 beds. Yes? That is right?

Yatharth Tyagi: Roughly around that mark, yes.

Khush Jain: Thank you.

Moderator: Thank you. Next question is from the line of Akshat Mehta from Seven Rivers Holding. Please go ahead.

Akshat Mehta: Hello, sir. Am I audible?

Yatharth Tyagi: Yes.

Akshat Mehta: Hi, sir. Congratulations on another great set of results. I had a few questions on the business. One is, sir, we have seen that the debt number on a gross level is increasing for you at FY26 end and at H1 end as well. I just wanted to understand where the debt is going and what is the kind of repayment that we see over the year?

Yatharth Tyagi: I think as far as the total debt is concerned, the addition to the debt from the last financial year has been primarily for the INR100 crores that we have spent on the Gurugram facility. Plus,

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around INR100 crores or more has been taken for certain medical equipment that will be -- and that has been added to both the Model Town Hospital, the Sector 20 Faridabad Hospital, as well as certain construction that is already happening in full swing in the Gurugram Hospital.

But we feel that this is the peak level of debt for us, at least for the next few quarters to come. Debt will eventually go down from here. We also feel that going forward, even though the full focus is on acquiring new hospitals with the Advent money, if the acquisitions take time as far as certain assets are concerned, we can also look to reduce debt marginally from that amount. I think this is the peak level of debt that the company is expecting in the coming quarters.

Akshat Mehta: Okay. My next question, sir, would be on your Agra hospital, sir. What is happening there? In one quarter, we have seen the occupancy go down sharply, but then your ARPOB has also gone up. Are we seeing a mix change -- big mix change in Agra? What is happening there?

Yatharth Tyagi: I think as far as Agra is concerned, we are very happy with the numbers and the way that hospital has ramped up and scaled well. We have become the most preferred hospital in that area. I can also say that the number of robotic surgeries that we are doing in Agra is probably at par or even higher than certain NCR hospitals.

Definitely, Agra is on a similar monthly trend now as it was in quarter 1, as well as earlier months of quarter 2. I think going forward, we are not just optimizing payer mix there, but we are planning to renovate the facility as well as add certain more beds, and certain floors are also in a renovation stage there.

Akshat Mehta: In terms of the case mix or the treatments, any new additions have been done or anything that you're planning to add in Agra?

Amit Kumar Singh: Yes, absolutely. We recently added CTVS surgery and cardiac surgery. We recently -- we are planning to add paediatric cardiac as well. We are also strengthening a couple of the specialties which we felt were not up to the mark. That's happening, and as I just said, robotics is happening there.

So, I think in a way, largely we are doing everything except radiation oncology and the transplant program, but Agra is doing good. Yes, there are a few changes going to happen, depending on how the specialties or departments perform in the future.

Akshat Mehta: Okay. Last question, sir. What's happening on the IT matter, sir? We've seen the demand notice after that. What has happened? What is the forward plan?

Yatharth Tyagi: I think as we said that the IT matter has been resolved, and then we have received the final demand…

Akshat Mehta: Okay.

Yatharth Tyagi: As we were saying, the final demand has come and the matter is resolved now. There has been no -- earlier, all the assets and FDs were also released for the company. Going forward, we feel

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even the existing demand can be significantly reduced. Based on legal opinions and even talks with the department itself, we have been advised to appeal against that.

However, it is a normal course of appeal. It is not that the whole matter is still pending at a larger scale. The capping has been done as far as the demand is concerned, and we also feel that this will significantly reduce. That's what we are doing, and we expect this also to reduce in the coming quarters ahead.

Akshat Mehta: Okay, sir. Thank you and congratulations once again.

Moderator: Thank you. Next question is from the line of Meet Mehta from Entigrity Ventures and Partnerships. Please go ahead.

Meet Mehta: Yes. Hi, team. Congratulations on a great set of results. My first question is on the onco status of the Model Town and the Faridabad hospitals. When are we expecting the oncology segment to go live in both of the hospitals?

Amit Kumar Singh: Faridabad, I think everything is done now. The equipment has already been installed. Now it's in some formalities with the AERB test every 40, 45 days. So we are in the last leg of these things. The clinical manpower is already on the rolls, right? So we think that in the next 45 to 60 days, we will have the entire spectrum of onco; medical and surgical we are already doing. The radiation and nuclear, we're going to start in the next two months. So, this is Sector 20. Model Town, it's going to take time.

I think that's still in a drawing phase as of now because we have to start a new setup for this entire radiation thing, bunkers and all, because in Faridabad it was already there. Here we need to start it. So it's in the planning phase. The drawings have already been done. So we will work it out.

As you know, Delhi is under GRAP 2 now, so construction is on hold. It will probably take two to three months to start our work. So we need another six months.

Yatharth Tyagi: However, we've already started medical and surgical oncology in Model Town, and recently we've hired certain star doctors as far as oncology for those specialties is concerned, and we have already started seeing good numbers. As Amit mentioned, we will be adding radiation oncology in that hospital. I think the timeline should be somewhere around close to eight to nine months.

Meet Mehta: Got it. Are we on track to break even on the Delhi Model Town Hospital?

Amit Kumar Singh: We said that the next quarter, I think we should be. It is very much -- Delhi is doing as per the expected line. Next quarter, I think Delhi should break even.

Amit Kumar Singh : If you see, losses of Model Town have reduced quarter-on-quarter. For Q1, losses were INR55 million. This quarter we reported losses of INR38 million. Next quarter, we are very sure that December will be the break-even month for the Delhi hospital.

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Meet Mehta: Got it. Last on the bed addition, anything on the Noida, Greater Faridabad Hospital, and the Jhansi Hospital? Because we are reaching optimum utilization of the capacity. Any color on those three facilities?

Yatharth Tyagi: There is not much scope for expansion in those three hospitals. However, we are looking to improve marginally as far as ARPOB and payer mix are concerned in those hospitals. But there are no specific plans for any brownfield capacity expansion in those hospitals.

Meet Mehta: Sure. Any new hospitals that we are looking at in those geographies?

Yatharth Tyagi: I mean, as we said, we are targeting a huge capacity addition in terms of new hospitals and new beds. We are focusing across other areas of NCR, micro markets of NCR where we are still not present, and at a larger scale within the whole North India market.

I mean, especially we still feel U.P., Haryana, Punjab, and of course Delhi NCR has good scope for growth. As I said, now along with the Advent deal, we have expanded our horizon. The priority still remains north, but if there is a good cluster of hospitals available outside north, we will be actively looking to evaluate that.

Meet Mehta: Sure, Yatharth. Many congratulations on the great set of results and all the best for the coming future.

Moderator: Thank you. Next question is from the line of Aryan Jain from Groww Mutual Fund. Please go ahead.

Aryan Jain: Yes, hi. Thank you for the follow-up. My first question was, is there any change in our 24% plus margin guidance for the year, given that both our new assets actually see -- assets are seeing a faster ramp up?

Yatharth Tyagi: I think the guidance remains the same. In fact, we also have to cover up the difference from the oncology pricing differences. But we remain sure that the guidance we have for the EBITDA margins will continue to be the same.

Aryan Jain: Okay. With Gurugram coming up next year and also the Advent funds being deployed next year, should we expect the margins to be kind of flat over the next couple of years from FY27 level?

Yatharth Tyagi: I think we have not made a blended margin plan because that will depend upon the type of assets and the type of deals we are able to close from the first tranche we get. However, what we are forecasting is our existing plan where the EBITDA margins will continue to be on a rising trend, but they will be upwards of 24% for the upcoming years. The blended margins from the new hospitals will depend on the type of deals we are able to close.

Amit Kumar Singh: Just remember that our existing hospitals, particularly Faridabad and Delhi, will start contributing to offset whatever the drag would be.

Aryan Jain: Okay, fair enough. One last question. How soon do we expect our Gurugram facility to breakeven, given that it is a competitive market?

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Yatharth Tyagi: I think Gurugram, we are also targeting to break even in 15 months. But it will be a very high premium ARPOB facility with very high payer mix of cash and private insurance as well as international patients. As far as breakeven is concerned, I think 15 months would be on the conservative side.

Aryan Jain: Okay, thank you. Those were my questions.

Moderator: Thank you. Next question is from the line of Akshaya Shinde from Centrum Broking. Please go ahead. Akshaya Shinde, please go ahead with your question. Your line is unmuted. Akshaya Shinde, may we request you to please unmute yourself and proceed ahead with your questions. As there is no response, we will move to the next question, which is from the line of Praveen from Fortune Towers Investments. Please go ahead.

Praveen: Sir, thank you for the follow-up question. Sir, my question is on your next leg of expansion. So, what kind of assets will you be more interested in? Will you be interested in acquiring more of operational assets, or do you want to follow the operations and maintenance asset-light model? If you are planning for both, can you help us, what would be the kind of breakup there, please? Thank you.

Yatharth Tyagi: Yes, I think it would be a mix of both, but primarily they would be 100% equity-owned assets. Because with the large capital we have to deploy now, we can look at larger chains of hospitals. There are a few chains of hospitals available within the North market itself that we are carefully evaluating.

Those are mostly asset-owned -- 100% equity-owned chain of assets. I think, yes, going forward, we can even look to have certain hospitals which are available on O&M, but they would be mostly standalone hospitals, which would mostly be part of our initial 5,000-bed capacity expansion. But from the new Advent capital, it would mostly be fully owned assets.

Praveen: Thank you. Thank you for the answer.

Moderator: Thank you. Next question is from the line of Prashant Sharma from Hem Securities. Please go ahead.

Prashant Sharma: Hello. Good morning, everyone. Sir, as you mentioned in the previous call about bringing down the government business from 35% to 20%, and keeping the government business at around 20% in the newer hospitals. Sir, are we following that trend in the new hospital, and what would be the outlook going forward for the government business in the next two to three years, sir?

Yatharth Tyagi: The new hospitals, as you can already see from the performance of Model Town and Sector 20 Faridabad, and even the Greater Faridabad, which was the newest before them, the government business in the two new hospitals is not more than 15%-20%. So we're not only following that playbook, but also showing the results of it. As the scale of these hospitals ramp up, that will significantly help us reach our government business target. Even Gurugram would be on a similar line next year when it starts. So I think we are very much following that trend, and the guidance on that remains similar.

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Prashant Sharma: Okay, sir. Thank you. That is all from my side, sir. All the very best, sir.

Moderator: Thank you. Next question is from the line of Akshaya Shinde from Centrum Broking. Please go ahead. As there is no response, we will move to the next question, which is from the line of Rushikesh Bhoi from Purnartha Investment Advisers. Please go ahead.

Rushikesh Bhoi: Yes. Hi. Thanks for the opportunity. I just have one question around the oncology share. So, in close proximity of Greater Noida, a hospital has recently launched a comprehensive cancer care center. Are you seeing any pressure on oncology patient volumes or on retaining oncology talent there?

Amit Kumar Singh: In Greater Noida, I think the full scale of oncology, if you say, I think, except that one hospital which is more of a medical college, I do not think any other hospital has it, but Noida has got a couple of hospitals as far as full spectrum of onco is concerned. What is your second question? I missed that, second part of it.

Rushikesh Bhoi: Okay. The next update I want is on the current status for Gurugram Sector 40 facility in terms of construction?

Ashutosh Kumar Jha: So, construction, so we are revamping the existing building, and we are kind of adding more capacity there. We have submitted the plans also, and we have started modifying the existing building according to the plan. As soon as we get the plan approval, we will start the construction on the remaining part of it.

Yatharth Tyagi: This facility is being created on a very premium end. We have gone for one of the largest room sizes in the Gurugram market. I think we are eagerly waiting for the full launch of this facility.

Rushikesh Bhoi: Okay. Just want to add my first question. I think you missed the second. For that one, are you seeing any pressure from the oncology patient footfall, or in retaining oncology talent in the Greater Noida for oncology in the … area?

Yatharth Tyagi: No, Greater Noida, we have two hospitals technically, because Greater Noida and even Noida Extension, the Noida Extension is technically Greater Noida West also. So, both these facilities are catering to the highest number of oncology patients of any hospital in Greater Noida. So, I think we do not see any impact.

In fact, if you look at it, our absolute volume of oncology business has increased in both these hospitals. We are adding more doctors also in terms of leading doctors of NCR. We have planned to add in these two hospitals as far as oncology is concerned. So, so far there is no impact in terms of the volume.

Rushikesh Bhoi: Okay. And in terms of talent?

Amit Kumar Singh: I think that we have enough pool of the doctors, right? So, we have got eight hospitals and have enough pools of patients -- enough pools of doctors. And then, if you see the more and more hospitals coming up in that particular region, it also attracts clinical talent. So, I think there is no dearth of clinical talent in that particular market.

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And we are very confident that in Greater Noida, when we have our entire spectrum, and very soon we are going to add nuclear as well as radiation oncology in Greater Noida facility as well. So, at the doctor level, I don't think there will be any challenge.

Rushikesh Bhoi: Okay. Got it. Thanks.

Moderator: Thank you. Next question is from the line of Kashish Thakur from Elara Securities. Please go ahead.

Kashish Thakur: Hi, sir. Thank you for the opportunity. One question. Sir, how are we viewing the Supreme Court's judgment probably that along with onco, we should be having -- capping on other drugs as well? That will probably erode much of our profitability and all. Just wanted to get some view from your end on that aspect?

Amit Kumar Singh: No, as I said in my earlier commentary, nothing has come up yet. There are discussions going on. The matter is before the court, so we don't want to comment as such. But yes, as I said that the hospital industry has already made its representations and talks are going on. What is going to happen, we don't know.

But I think that whatever will happen, it will be for the best, and the industry and government will definitely be in discussions, and we have made our representations. Not much more to comment on it, but whenever it will happen, we'll see accordingly and then we'll plan.

Yatharth Tyagi: See, we have always, as an organization, tried to restructure and evolve our strategies according to regulatory policies and new framework. Just like in oncology, yes, there was a marginal and a small impact for us, but that impact was not high. But even then, we have already worked on certain other line items and operational efficiencies so that our EBITDA target guidance doesn't change. So, I think any regulatory policy changes going forward, maybe in the pharma or any other aspect, I think we would be looking to evolve our strategies and work, still trying to meet the guidance that we have for the next few years.

Kashish Thakur: That was very helpful. Thank you so much.

Moderator: Thank you. Next question is from the line of Meet Mehta from Entigrity Ventures and Partnerships. Please go ahead.

Meet Mehta: Yes, thanks for the follow-up. Just wanted to get a sense on the capex per bed. Historically, we have acquired assets which were stressed. If you can give some color on the capex per bed that we are looking at for the next phase of expansion with the Advent money coming in. Any sense on that, please? That would be helpful.

Yatharth Tyagi: I think specifically from the Advent money, we are not creating any greenfield assets, and we might not be going for absolutely stressed assets. We would be going for assets where there would be huge upside and potential for them. It would not be saturated hospitals. But we are looking more in terms of the total bed capacity and the absolute EBITDA that we can add.

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With the options that we have evaluated and certain more options can come going forward, we feel that close to 2,000 beds can be added, but it shouldn't be looked at purely capex per bed just on the bed angle, because these 2,000 beds would be significantly contributing to the top line and the EBITDA. I think that's where the real value will come, and not just from the bed addition of this further expansion.

Meet Mehta: Yes. Yes, that was helpful, and thank you.

Moderator: Thank you. Next question is from the line of Sanath Vaze from Centrum Broking. Please go ahead.

Sanath Vaze: Hello, sir. Am I audible?

Moderator: Yes, you may please go ahead.

Sanath Vaze: Yes. Given your preference for acquiring large-sized and EBITDA-positive hospitals, what kind of asset and valuation multiples are you currently targeting? Second one, how do you evaluate paying a premium for hospitals with the higher growth potential?

Yatharth Tyagi: See, I think it is very difficult to put a number to what multiple the deals will happen. For us, the way we look at it is, if a hospital has good upside potential from where it is and if we can really expand it, that is the biggest criterion. For that too, the premium really depends upon the percentage of growth that is possible for a hospital.

Also, another factor that we consider for paying a premium on valuation is if that hospital's average revenue per occupied bed is higher than our group average, or if the payer mix of that hospital or a chain of hospitals has more cash and private insurance mix than even our existing platform. So that also becomes another criterion for us to consider a premium as far as the deals are concerned.

Sanath Vaze: Okay, sir. Thank you.

Moderator: Thank you. Next question is from the line of Shubham Rai, an Individual Investor. Please go ahead. Mr. Shubham Rai, please go ahead with your question. There is no response from the participant, and as there are no further questions from the participants, I now hand the conference over to management for closing comments.

Yatharth Tyagi: Thank you everyone for this H1 presentation. Looking forward to the next quarter's results and meeting you soon. Thank you.

Amit Kumar Singh: Thank you, everyone.

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

(This document has been edited for readability purpose)

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