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November 20, 2025

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 Q2 FY26

Dear Sir/Madam,

Pursuant to Regulation 46(2)(oa) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of Investors' conference call organized on November 14, 2025 post declaration of Unaudited Financial Results (Standalone & Consolidated) of the Company for the second quarter and half year ended September 30, 2025.

The transcript will also be available on the website of the Company at <https://www.yatharthhospitals.com/investors>

This is for your kind information and records.

Thanking You

Yours Faithfully,
For Yatharth Hospital & Trauma Care Services Limited

Ritesh Mishra
Company Secretary & Compliance Officer
M. No. A51166

Encl.: A/a

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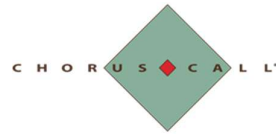
Our Hospitals

- 📍 Sector Omega-01, Greater Noida, Uttar Pradesh-201308
- 📍 Sector-01, Greater Noida West, Uttar Pradesh-201306
- 📍 Sector-110, Noida, Uttar Pradesh-201304
- 📍 Jhansi Mauranipur Highway, Orchha, Madhya Pradesh-472246
- 📍 Sector-88, Faridabad, Haryana-121002
- 📍 4C Institutional Area, North Extension, Model Town 3, New Delhi-110009
- 📍 Plot No. 9 & 9A, Sector 20B, Faridabad, Haryana-121001



**“Yatharth Hospitals and Trauma Care Services Limited
Q2 FY '26 Earnings Conference Call”**

November 14, 2025



MANAGEMENT: **MR. YATHARTH TYAGI – WHOLE-TIME DIRECTOR**
MR. AMIT KUMAR SINGH – GROUP CHIEF EXECUTIVE OFFICER
MR. NITIN GUPTA – PRESIDENT (FINANCE) AND 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 FINANCE CONTROLLER

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

Moderator:

Ladies and gentlemen, good day, and welcome to the Yatharth Hospital & Trauma Care Services Limited Q2 FY '26 Earnings Call hosted by Elara Capital. 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 touchtone phone. Please note that this conference is being recorded.

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

Kashish Thakur:

Thank you, Yousuf. Good afternoon, everyone on behalf of Elara Capital. I would welcome you all to Q2 FY '26 Earnings Conference Call of Yatharth Hospital & Trauma Care Services Limited. From the management, we have Mr. Yatharth Tyagi, Whole-Time Director; Mr. Amit Kumar Singh, Group CEO; Mr. Nitin Gupta, President (Finance) and Chief Operating Officer; Mr. Pankaj Prabhakar, Group CFO; and Mr. Ashutosh Kumar Jha, Group Chief - Strategy, Merger and Acquisition, IR; and Mr. Sonu Goyal, Group Finance Controller.

I now hand over the call to Mr. Tyagi for his opening remarks, and then we will open the floor for question and answer. Over to you, Mr. Tyagi. Thank you.

Yatharth Tyagi:

Good afternoon, and welcome to Yatharth Hospital & Trauma Care Services Limited's Earnings Conference Call for the quarter ended September 30, 2025. Joining me today are Mr. Amit Kumar Singh, Group CEO; Mr. Pankaj Prabhakar, Group CFO; Mr. Nitin Gupta, Group COO and President (Finance); Mr. Ashutosh Kumar Jha, Group Chief - Strategy, M&A and Investor Relations; and Mr. Sonu Goyal, Group Finance Controller. Our earnings presentation is available on the stock exchange and on our website. We hope you have had the opportunity to review it.

This quarter marks a significant phase of operational and strategic progress for Yatharth Hospitals, delivering industry-leading performance with the highest ever revenue and EBITDA. A key positive milestone this quarter has been the order from income tax authorities unfreezing the provisional attached properties and fixed assets of the company, restoring full financial flexibility for expansion initiatives. This milestone marks an important step towards the resolution of the long pending income tax issue.

Upholding highest standard of governance, we are happy to announce the appointment of Mr. Ramesh Krishnan as Independent Director. He is a healthcare veteran, with 3 decades of experience leading hospitals and private equity in the healthcare space. In our latest Annual General Meeting, we have also appointed MSKA & Associates, a member firm of BDO International, as our Statutory Auditor with effect from quarter 2 itself, further reinforcing highest standard of transparency and governance for all our stakeholders.

We are also pleased to share that CRISIL has upgraded our credit rating to CRISIL A/Stable, reflecting the strength of our business prospects. During the quarter, we operationalised Model Town Hospital in New Delhi during mid-July, adding 300 beds to the capacity. Moreover, we also commenced operations at our Faridabad Sector 20 Hospital, adding 400 beds to the capacity.

We're already seeing increasing footfalls at both these new hospitals. With our advanced infrastructure and clinical team, we expect both these facilities to be a key growth driver in the upcoming quarters.

Continuing our expansion strategy, we also, this quarter acquired Shantived Hospital in Agra, having an expanded capacity of 250 beds. This hospital is already running and hence will contribute meaningfully to both our revenue and profitability from day 1 of its integration. We expect this integration to be completed by H2 of this fiscal itself, and we should be adding revenues and EBITDA of this hospital from quarter 4 of this financial year.

Our commitment to clinical excellence is also demonstrated by several technological adoptions and complex procedures conducted this quarter:

1. We utilised the latest navigation system and Intelli Joint software to perform Delhi's first-ever Robotic Intelli Hip Revision surgery at our newly started Model Town hospital
2. We also adopted Rapid AI, an advanced AI-enabled neuroimaging technology for fast and accurate stroke detection at our Greater Noida facility, enhancing diagnosis and treatment timelines

These advanced procedures position us among a select group of hospitals in North India providing these cutting-edge clinical care.

We've also made significant strides on the medical value travel front. In Q2 FY '26, we established Yatharth representative offices in Baghdad and Tashkent in partnership with Chinor Medical Centre and expanding into Cameroon through both institutional and private partnerships. We are also in the process of being the exclusive healthcare partner for the upcoming Jewar Airport, which is expected to drive international patient volumes from these regions and presence of Yatharth Hospital's clinical medical examination room at the Jewar Airport will also enhance our visibility to the passengers, both domestic and international using the airport.

I would also like to take this opportunity to highlight a key industry-wide development this quarter with the long-awaited central government health scheme (CGHS) rate revision after more than a decade, effective October 13, 2025. We welcome this move and the new framework introduces rationalised tier base rates with higher reimbursement for accredited super speciality providers in metros. This structural change will significantly enhance our revenue realisation and profitability across all our hospitals.

Looking ahead, our focus remains on ramping up the new facilities, expanding super speciality offerings and driving operational efficiencies across the network. We are confident that these initiatives, combined with a robust governance practices and strong management team will help us deliver sustained value to all our stakeholders.

With that, I would now like to hand over the call to Mr. Pankaj Prabhakar for a detailed financial update.

Pankaj Prabhakar:

Good afternoon, everyone. I am pleased to say that Yatharth Hospital has delivered another quarter of record revenue and EBITDA. During quarter 2 FY '26, we recorded revenue of INR2,794 million, reflecting a healthy 28% year-over-year and 8% quarter-over-quarter growth. Our newer hospital were key growth drivers, reporting a significant 110% Y-o-Y increase, while our mature hospitals sustained the upward trajectory, reporting a 19% year-over-year increase. Notably, Greater Faridabad just in its first full year of operation now contributes 10% of our overall group revenue, reflecting the strength of our expansion strategy.

During the quarter, we have added 700 beds with commencement of our New Delhi and Faridabad hospital. However, despite the bed addition, our occupancy stood healthy at 66% during the quarter. As far as, hospital-wise occupancy is concerned, our Noida facility achieved an occupancy of 89%, Greater Noida at 69%, Noida Extension at 64% and Jhansi-Orchha at 71% during the quarter.

Our strategic focus on high-value super speciality care and continued investment in cutting-edge medical infrastructure has resulted in an increase in consolidated ARPOB to INR32,015 in quarter 2 FY '26. Notably, mature hospital, which includes Noida, Greater Noida and Noida Extension, achieved an ARPOB growth of 9% year-over-year, while our newer hospital registered an ARPOB growth of 19% year-over-year, reflecting our continuing focus on improving the mix.

Our Noida Extension Hospital achieved its highest-ever ARPOB of INR40,800, up by 7% year-over-year, given its approximately 70% contribution from super speciality services. Our Noida Hospital reported ARPOB of INR31,100, Greater Noida at INR38,300 and Greater Faridabad at INR31,900. Our Model Town New Delhi facility began operation in the quarter with an initial ARPOB of INR33,600. As we ramp up our Model Town and Faridabad Sector 20 hospitals, we expect these hospitals to generate ARPOB much higher than our Group ARPOB.

On the profitability front, EBITDA stood at a record level of INR645 million, up by 18% year-over-year. Given the initial operational losses at our newly operationalised Delhi and Faridabad Sector 20 hospital, our adjusted EBITDA was INR737 million, up by 35% year-over-year, while our adjusted EBITDA margin stood at healthy 26.7%. Accordingly, our adjusted profit after tax grew by 63% year-over-year.

Our balance sheet position continues to remain robust with a strong net cash position of INR3,692 million, providing ample financial headroom to capitalize on suitable growth opportunities.

Looking ahead, we remain optimistic of sustaining our growth trajectory. Our strategic priorities will focus on expanding our footprint across North India, optimizing existing clinical infrastructure, enhancing clinical excellence to drive higher ARPOB and capitalizing on emerging opportunities in the sector.

Thank you for your attention. I would now like to hand over the call to the moderator for question-and-answer session. Thank you.

- Moderator:** Thank you very much. The is from the line of Ritika Khandelwal from Perpetuity Ventures. Please go ahead.
- Ritika Khandelwal:** I just wanted a bit of clarity on Faridabad and Delhi hospitals, the amount of losses that you would be looking at? And since Faridabad has been operationalised right now and the minority share has been positive, past minority share, so are the Faridabad losses being booked? And what are the expectations going forward on the 2 facilities?
- Sonu Goyal:** So if you see in Q2, we have around 3.3% as overall dilution in EBITDA because of the 2 new facilities, that is, Faridabad Sector 20 Hospital and New Delhi Model Town hospital. And we are pretty much sure with the next 15 months to 17 months, both hospitals will be EBITDA breakeven.
- Yatharth Tyagi:** Also, even though the Faridabad 20 facility was operationalised fully, i.e., the IPD started on 1st of November, but prior to that for a month or so, almost a couple of months, the staffing was already there. So that's why a bit of the loss is already there, including some of the doctors, nurses and admin staff all stationed and getting ready for the hospital. So yes, certain of the expenses have been booked for the FY '26 and will also fully be operationalised and full expense will be booked from quarter 3 itself.
- Ritika Khandelwal:** What kind of -- if you can quantify what kind of losses are you looking at?
- Yatharth Tyagi:** Similar of what the EBITDA loss for the Q2 would be a bit similar also in Q3 because of these 2 hospitals because Delhi hospital will be then probably 4, 5 months into the operations. So the EBITDA drag there will reduce in Q3, but EBITDA drag of Sector 20 will increase a bit. So I think similar trend of the EBITDA loss of Q2 should be seen in Q3 from these 2 specific hospitals.
- Ritika Khandelwal:** Also like for Delhi, what is the run rate currently? And what kind of occupancy are you seeing?
- Amit Kumar Singh:** So it's a very -- I mean, it's very early to tell you that occupancy in just 2, 3 months of the operations. But I think 13%, 14% of already Delhi is operating as of now. Faridabad, we just started. But as said earlier, we are expecting both these hospitals to have a breakeven reaching in 15, 16 months kind of. So I think we are very much up to it, right.
- Yes, more empanelments and then insurances are yet to come. So once it will be done in next 4, 5 months, I think we would be -- and as we had said earlier as well, around anything between 30%, 35% of occupancy, we reach an EBITDA breakeven. So that's what we are expecting in the next 15, 16 months.
- Ritika Khandelwal:** For the Agra facility, when is it going to start?
- Yatharth Tyagi:** Agra facility will be on our books from quarter 4 fully. So somewhere from the first week of the new year, we should be starting the facility. It's already a running facility, but it will be integrated on our balance sheet from the first day of quarter 4.

- Ritika Khandelwal:** Okay. And lastly, can you tell us the payor mix, and what is the percentage of professional fees you are paying to the doctors?
- Yatharth Tyagi:** Payor mix is somewhere around 37% roughly is the government business. And the rest is equally divided between private insurance, TPA as well as self that is the cash payor. As far as your second question of...
- Sonu Goyal:** So overall, we are at 21.5% in the doctor share -- doctor cost percentage of revenue.
- Moderator:** Sorry to interrupt, Ms. Ritika, may we please request you to rejoin the queue, ma'am. Several participants are waiting for their turn. Next question is from the line of Nirali Shah from Ashika Stock Service.
- Nirali Shah:** I had a question on ARPOB. So your slide shows that Group ARPOB is moving from INR32,395 in 1Q to INR32,015 in 2Q. So despite the mature and new hospitals reporting ARPOB growth, this is what we are seeing difference. Can you reconcile the math like which hospital or the payor segment for the consolidated ARPOB from Q-o-Q and why did that happen?
- Yatharth Tyagi:** So the reason for that is the very strong increase in the occupancy of our Jhansi hospital. We are quite happy that Jhansi-Orchha Hospital has reached an occupancy of 70% as per our target, and it's now become a leading service provider in that area. So because the ARPOB in Jhansi Hospital is almost half of that of the group average.
- So increase in the occupancy in Jhansi Hospital led to the decrease -- not decrease, but muted ARPOB growth. However, with the Delhi and the Faridabad 20 hospital ramping up in the coming quarters, which will have the ARPOB much higher than the group average, we will still be on the track for our ARPOB growth of for the whole year somewhere around 8% to 9% from last year.
- Nirali Shah:** Okay. Got it. Also on the income tax matter, you've reported that assets have been unfreezed and the FDs have been unfreezed. Are there any residual contingencies or appeal windows or any potential future claims? Like any clarity on this matter?
- Yatharth Tyagi:** Yes. So I think this was a major development. As far as the whole matter is concerned, we expect the whole matter also to be resolved somewhere, I think, before the end of the financial year, probably before the end of the calendar year, it will also significantly move towards closure, but I think the right timeline should be before the end of this financial year.
- Nirali Shah:** And my last one is on the capex plan. So we had announced in the previous con call that somewhere around INR1,400 crores to INR1,500 crores for 3 years. I just wanted to know how much additional debt do you plan to take in the next 12 months to fund the brownfield? And what will be the highest cost of borrowing you could consider as an acceptable level?
- Yatharth Tyagi:** Yes. So just a correction here. The INR1,500 crores to INR1,400 crores capex for the 3 years means that we will end up spending it technically in the next 5 years, somewhere around 4.5 to 5 years because, yes, deals would be announced for that capex within the next 3 years. But let's say, after 3 years, there is a greenfield expansion that we're doing. The complete utilization of

that fund would take somewhere around 4.5 to 5 years. So technically, we will be spending INR1,500 crores over the next 4.5 years. That's first correction.

Second is, as far as the next 12 months are concerned, so obviously, Agra's 250 beds will be with us in Q4. And then we also remain committed post that. That means somewhere around H1 of the upcoming next financial year '27, we should also be looking to add somewhere around 300 to 400 beds through an acquisition or an upcoming project that we are working on.

Nirali Shah: I have one more question, if I may.

Moderator: Ms. Nirali, may we request you to rejoin the queue Ma'am. Next question is from the line of Param Vora from Trinetra Asset Managers.

Param Vora: Congratulations for a great set of numbers. So sir, your Q2 revenue growth is strong. So can you break down the quarter's revenue growth like what did it led to the growth? Like was it the patient footfall that has increased? Or is it the mix and shift like speciality like towards higher-margin speciality or maybe the pricing?

Amit Kumar Singh: Yes. So it is a mix. So a, definitely, the -- as you had said that we have a still -- in existing hospitals, we have drivers, be it change of mix or bit of fine-tuning our existing mix. Second is very good growth, as mentioned in the commentary, that's 10% contribution is from the new hospital Faridabad 88, right. So all these things, we believe that adding Delhi and new -- I mean Faridabad Sector 20 will add up much more growth. However, there is still good room for our existing hospital be it a Greater Noida and Noida Extension for upward growth.

Moderator: Next question is from the line of Akhilesh Rawat from Ridhanta Vision Private Limited.

Akhilesh Rawat: So first of all, I want to congratulate you on the good set of numbers. And I have basically a question regarding this international like medical value tourism. So like what's your plan regarding this for upcoming financial '26 and financial '27?

Amit Kumar Singh: So we have a strong team now and then we have already rolled out our strategy. Recently, we had opened 2 information centre and OPD centre One is in Tashkent and other is Naira. A few more are going to come in African market. So I think we have identified these pockets. And in this financial year, I think that the strategy is very, very clear that we will open around 5 to 6 information centres.

And we are developing -- we are working on the channel partners be it in that particular respective country or the local. So we believe that this financial year or probably the H1 of the next financial year, we will have a very good percentage contribution from the international business and airport is also going to start by towards the end of this financial year.

Akhilesh Rawat: Okay. And what kind of ARPOB lift you are seeing from this, could you quantify on that?

Amit Kumar Singh: See, I think there is always upward of around anything between 45% to 55% that's up from your domestic. So even you can extrapolate from there.

- Akhilesh Rawat:** And my last question is regarding the Agra hospital, like when will we see the results in our books regarding that hospital.
- Yatharth Tyagi:** As earlier mentioned from quarter 4 of this financial year.
- Akhilesh Rawat:** Okay. Okay. And what kind of ARPOB are we expecting from that hospital ARPOB?
- Yatharth Tyagi:** I think upwards of INR30,000, somewhere around that to begin of, slowly as we ramp up more super specialities that this has the potential to be somewhere as the group average ARPOB and also a bit higher also in the future if possible.
- Moderator:** Next question is from the line of Akshat Mehta from Seven Rivers Holding.
- Akshat Mehta:** Congrats on a great set of results. I have a few questions here. One is that in the Delhi hospital that we just started, we had earlier guided for INR39,000, INR40,000 kind of an ARPOB number. But in this quarter, you've seen a INR34,000 roughly ARPOB. Can you help us explain why -- what is the difference?
- Amit Kumar Singh:** Delhi, I would say -- I mean it's too early to judge Delhi. Still there is no insurance, even cash patients-- initially, there is a very early rates which we have put in market, but in the next 2, 3 months, if you see when the tariffs and everything is frozen as per the competitive, insurance negotiation happen and more and more international flow in that particular hospital, you see this ARPOB will be much more than what you are seeing as of now. So what we have said earlier, it is absolutely realistic.
- Yatharth Tyagi:** Whenever a hospital start, usually first few months it takes for ARPOB building. In fact, we are quite happy that the first month itself, it has started with INR33,000 ARPOB. That gives us confidence that within 12 months or even earlier, this ARPOB can cross INR40,000. And that's the trend across other hospitals also that we witnessed when we started them.
- Akshat Mehta:** Okay, sir. Next question is that I want to understand with the losses that we've seen from the new hospitals and that will continue in Q3 and probably in Q4 because Shantived will also be adding. What kind of margins can we look at on a full year basis? And with the new hospitals being added, I think we can overshoot a number of 30% revenue growth also. So if you can provide a guidance on that as well.
- Yatharth Tyagi:** So Agra will not be EBITDA drag because when it comes to Q4, it is already an EBITDA positive hospital and even profitable. So there will be no drag due to Agra. That's one. Second, as far as the margins are concerned, I think what we closed the H1 margin for, I think somewhere around that would be a realistic number for the whole of the end year also, maybe 0.5% up and down here.
- But I think that these margins that we have already will not be dragged further. We are quite confident even for the quarter 2 margins, which are here, it will be only upside from here for the whole financial year. And Agra will be EBITDA positive from day 1. Lastly, your question on the 30% revenue growth. Yes, I think that's easily visible. I think we are being actually a bit

conservative when we're seeing 30% revenue growth. We feel that this number should be easily overachieved.

Akshat Mehta: My next question is on the overall capex side as well. So this year, sir, what is the kind of -- this and next year, what is the kind of capex that we are seeing in the actual spend?

Yatharth Tyagi: I think we have already given the guidance for the next 4, 4.5 years of INR1,500 crores of capex. I think we'll just stick to that. We have a good cash position. We are debt free, and we are generating good internal accruals. So whatever capex is required, the company will be able to very well fund it also.

Akshat Mehta: Sir, one bookkeeping question...

Moderator: Sorry, Mr. Akshat, may we please request you to rejoin the queue, sir? Next question is from the line of Surya Narayan Nayak from Sunidhi Securities and Finance Limited.

Surya Nayak: Congratulations on the good set of numbers. So just want the -- the understanding about the Agra hospital. When we took over, I believe it is operating at around 40% occupancy. And we have plan to expand it to 250. So over what period of time the hospitals will be ramped up? I understand that it will be acting as a feeder hospital. Then what will be -- when we will be able to incorporate all kind of super specialities in it? And when we will be able to get a kind of ARPOB at least of INR35,000 plus?

Yatharth Tyagi: So Agra, we are not just seeing it as a feeder hospital. Agra is a big stand-alone 250-bed super speciality hospital. Agra as a market is very fertile. It is -- we are the first corporate hospital in that region, and it has huge population of not just Agra, but nearby places like Hathras, Saifai, Etawah, Shikohabad and all these patients drain to Agra. And the combined at this level of facility is not there in that whole region.

So Agra will be a full stand-alone super speciality hospital where we will be providing all the super specialities. And it will be on our books from January itself of the next calendar year. We will start with 150 beds, but we do not need to do any more capex to reach that 250 bed expansion, only these beds need to be added. The whole infra is almost ready there for 250 beds.

So as and when required, as per occupancy, we will see and we will just keep on opening floors and putting in beds there. And as far as the ARPOB full mature is concerned, so remind that because it's already a running hospital, it will not take time for us to develop super specialities much time because already there's a cath lab, there is cardiac surgery is happening there, there angioplasty is happening there. A lot of super specialities are already existing in that hospital. So we will see a very good and a very quick ramp-up of both the ARPOB, super specialities as well as occupancy for the Agra hospital is concerned.

Surya Nayak: Okay. And just in the previous participants' answers, I just missed the year ending EBITDA margin considering the 2 quarters hit on the new hospitals cost absorption. So what would be the guided EBITDA margin for FY '26? And whether that will be fully absorbed and will not be incurring more loss in the FY '27?

- Yatharth Tyagi:** No. So as we earlier said, the EBITDA margin what we have for this quarter there's only upside from here that will happen for the coming quarter and the whole financial year also. And it will be fully absorbed because yes, there would be -- next year also, we would be adding capacity.
- But this year, if you look at it technically, we have added -- including Agra, we will be adding - the whole financial year, we would be adding 1,000 beds. So that's 3 new hospitals that have come up. And even with the 3 new hospitals in a financial year, we are able to maintain margins upwards of 23% of EBITDA. So whatever in the future is going to be upside from here only.
- Surya Nayak:** Sir, regarding...
- Moderator:** Sorry to interrupt, Mr. Surya, may we please request you to rejoin the queue, sir?
- Surya Nayak:** Just one follow-up question, sir. Can I?
- Moderator:** Yes, please go ahead, sir.
- Surya Nayak:** Okay. Sir, with the long-term ambition of INR1,500 crores capex over 4.5 years, so can we assume that we will first see that the consolidation of this additional 1,000 beds happens and maybe then we will think of having inorganic -- because we have brownfield plants as well going ahead. So can we assume that we will expect some kind of consolidation at the existing new facilities, then we will think of expansion or this inorganic expansion? And whether inorganic expansion will limit to NCR region or periphery of NCR, that is what I just want to understand?
- Yatharth Tyagi:** So at least for the remaining of this financial year, there will be no additional capacity that would be coming to be utilised. We might take a greenfield project upcoming soon, but that will take time for the capacity to come into play. And if these hospitals as we are targeting that in 15 months, they're getting breakeven. So it's not that we have to wait long to first consolidate and then add capacity.
- I think we are very well in a position right now also, not this financial year, but in maybe the next financial year, to add more acquisitions, more hospitals in H1 itself, and that's the plan. And second, to your question as far as the locations and geographies, we believe that the markets where we are present, that is the NCR market, the whole North India market of like big cities in UP, Haryana, Punjab, Rajasthan.
- I think we want to be in metro cities. We want to be in big cities. It will technically not be just peripheral hospitals. We -- all our hospitals so far, if you look at it in the last few quarters, we have added in the hardcore, Delhi and Faridabad market, which are big cities. And this is what we also want to continue going forward. Agra is also a big city in UP. So these are the big metro cities where we want to be in the coming years also.
- Surya Nayak:** So what is the cut-off ARPOB you have set?
- Yatharth Tyagi:** Sorry, can you repeat that?

- Surya Nayak:** What is the cut-off ARPOB you have planned for new acquisitions? I mean below a certain threshold, you will not want to look at, I mean, location-wise. I mean is it earning INR35,000.
- Yatharth Tyagi:** Yes, I think upwards of that, I mean, that should be the minimum. That's criteria.
- Moderator:** Next question is from the line of Dhaval Sangoi from Canara HSBC Life Insurance.
- Dhaval Sangoi:** So, just wanted to check your view on this CGHS rate revision that has happened from October. Have we seen any benefit flowing in? And does it any way impact us positively?
- Nitin Gupta:** CGHS rate has been implemented recently in the month of October. So we are looking to the upside of CGHS revenue that will be around 1.5% in this FY '26 with the benefit on EBITDA to around 1% in this financial year, which may go up to 2.5% in the next year on the revenue front and nearly around 1.75% on the EBITDA front.
- Dhaval Sangoi:** Okay. So say, on a base of 37% of government revenues that you have, we will see an incremental benefit coming in on that.
- Nitin Gupta:** Price benefit, yes. It will be benefit to the company. The rate revision will be adding to the ARPOB as well that will benefit to the company.
- Moderator:** Next question is from the line of Naveen Baid from Nuvama Asset Management.
- Naveen Baid:** Great set of numbers. If I look at your trend for the past 6, 7 quarters, your ALOS has been coming down and your occupancy ratios have also been going up. So in a way, your throughput has been increasing pretty significantly. What explains the drop in ALOS over the last 6 quarters from, say, 4.8, 4.9 to where this quarter we are reporting this at 4.06?
- Amit Kumar Singh:** Introduction of the new sets of technology like robotics, that's reduced our ALOS significantly, right, high-end speciality, state-of-the-art infrastructure. So that's anything which is earlier -- I'll give you an example, for any Lap surgery where patient used to stay 3, 3.5 days or 4 days kind of, now you can discharge that patient in up to 2 days, right. So adding of the new technology has played a big role in reducing the ALOS and very, very new sets of treatment modality. So this has a role to play.
- Naveen Baid:** But if that is the case, then should your ARPOB not have increased by much more than what it has actually even. If I step off the government segment, which is about, say, 37% your ARPOB has gone up by just about, say 5%, 6% over the last 6 quarters despite the significant improvement in the case mix. But like what explains this? Or do you think there's a significant upside in your ARPOB to go up over the next 4, 6 quarters?
- Amit Kumar Singh:** So, you need to see the data of that flagship hospital, particularly the Noida extensions where we have all those sets of modalities and new technology. So there, the ARPOB has significantly increased, right. So it's not like directly you see the INR1 increase and INR1 increase there. But I think this is how it should play. So we believe that more and more the capacity gets ramped up in those super speciality, we believe that -- I really believe that the ARPOB will also increase.

- Yatharth Tyagi:** Also, for last 2, 3 years, clearly, we have shown 8% to 10% ARPOB growth. And I think for next 3 years also, we do expect 8% to 10% ARPOB growth clearly. And especially now with the Delhi market and the Faridabad bigger hospital having oncology transplant, increase in international share, that's ARPOB will be a huge lever for us also going forward.
- If we continue to be in, as I talked about, big in metro cities, obviously, a market like Jhansi-Orchha wouldn't have been a driver on the ARPOB. But if we are expanding our facilities here in Noida extension, in Delhi, so ARPOB should significantly increase at a faster pace as the capacity happens in these new hospitals.
- Naveen Baid:** Sure. Just one more question. So this is continuing on the previous participant's question that if your government share of revenue is roughly about say 37-odd percent, if I take the full year impact for next year, wouldn't 2% be too conservative? Or this is what you are seeing from your kind of case that the blended improve is going to 2%. Also if you could kind of split the government revenues into what is derived through CGHS and what is non-CGHS?
- Yatharth Tyagi:** Yes, so 2.5% is the minimum that we have said conservatively. Whatever upside we get from there, we will take it. But I think it's realistic to take a 2.5% number because at a 37% revenue, it's not that 100% of that revenue will fall under the new rate revision scheme. There is, for example, we do a bit of Ayushman in Jhansi-Orchha Hospital and Ayushman doesn't fall and benefit from this scheme. So overall, I think it's -- when we have calculated, I think minimum to minimum 2.5% gain we should be seeing next year on the overall revenue not the... So overall revenue upside is 2.5%. So the whole company will be benefiting significantly from this rate revision. 2.5% of the whole revenue, you can imagine is a big quantum that we'll be benefiting next year and in the coming years also.
- Moderator:** Next question is from the line of Sumit Gupta from Centrum Broking.
- Sumit Gupta:** So 2 questions. First is, is there any scope of further margin improvement in the mature facilities?
- Yatharth Tyagi:** There is, yes, because there is still capacity left to utilise in the mature capacities when we mature hospitals. When we say they're mature, that doesn't mean that they are saturated in terms of occupancy. For example, both Noida extension and Greater Noida can reach optimised utilization of 75% of occupancy. So still a 10% room way for occupancy to grow, which will directly flow to the EBITDA. So yes, there is scope for EBITDA expansion in our mature facilities also.
- Sumit Gupta:** Okay. So, over the last 1.5, 2 years, I think it is at 26% to 27% kind of range and majority of the drag obviously is coming from the new hospitals. So this 27% can reach around 28.5%, 29%.
- Yatharth Tyagi:** It can in the coming years.
- Sumit Gupta:** So basically, Noida extension would be running at 30%, 33% kind of margin, if I'm sure -- basically I just want to ask on Noida extension as well as Greater Noida.
- Yatharth Tyagi:** Yes. I mean not that high. But as I said, there are also a lot of recent additions in terms of doctors and star doctors expenditure that we have done in last 1 year. Going forward, a lot of those

expenses are being done now that happened over the course of 1 year. But going forward, we will see an upside from those expenses done, which should be able to drive the numbers that you are just mentioning.

- Sumit Gupta:** Understood. Okay. And the additional 300 to 400 bed M&A that you plan to do over the next 12 to 15 months, so is that already mentioned, like is it additional to the capex plan mentioned in the presentation?
- Yatharth Tyagi:** It is inclusive of that INR1,500 crores capex.
- Moderator:** Next question is from the line of Gaatha Jain from Anantnath Skycon Private Limited.
- Gaatha Jain:** I just had 2 questions. First one is, so what is the cost to set up a bed in a mature or a developing hospital? And how many days does it take for it to breakeven?
- Yatharth Tyagi:** So if you are doing a greenfield today in NCR, it would take you roughly around INR1 crore capex per bed at least for our brand. That's the threshold we would be spending. And it takes almost, I would say, 15 to 18 months, which we personally target as a brand to achieve breakeven after operation -- after operationalizing of that hospital. If you're doing brownfield, then that capex per bed can be somewhere around INR75 lakhs per bed because a lot of medical equipments are already present in one tower. So brownfield expansion is a bit less than the greenfield expansion of INR1 crore capex per bed.
- Gaatha Jain:** And what is the time period for breakeven for brownfield?
- Nitin Gupta:** We generally have - EBITDA breakeven to around 15 months for the new brownfield projects.
- Gaatha Jain:** All right. Got it. And how many total number of...
- Moderator:** Sorry to interrupt, Ms. Jain. May we please request you to rejoin. Next question is from the line of Tripti Shukla from Kedia Securities Private Limited.
- Tripti Shukla:** My question is related to working capital like your receivable has increased meaningfully this quarter and cash balance have declined due to capex and working capital. So could you elaborate on which specific receivable bucket are stretching the cycle? And by when the debtor days should normalise? Like Also when do we expect the operating cash flow to EBITDA return to the historical level of 70% to 80%?
- Sonu Goyal:** So if you see our debtor days has been reduced. So what we have given the projections earlier also in our earnings call. So this time also, we have reduced the debtor days by 8 to 10 days. And we are very much sure we will follow the same trend, and we will clock the same 8 to 10 days reduction as on March 2026. Regarding cash flows. So OCF to EBITDA currently we are 58%. So we have changed the policy. Earlier we have paid salaries on net cumulative of a month, now we are matching the salaries payment as per the competition, as per the peers, okay. Now we are making a bit on the same -- last day of a month, okay. If we neutralise that effect, so our OCF to EBITDA will be around 78%. It is better than what we reported earlier.

- Moderator:** Next question is from the line of Vidhi Shah from CRK.
- Vidhi Shah:** I wanted to ask, on the EBITDA margin, you said it will only go upwards henceforth. But I want to know with the new capacities coming in the future, how do you see the EBITDA margins improving further? And wouldn't there be any margin dilution?
- Yatharth Tyagi:** No, there will be no margin dilution because as we earlier mentioned that we still have added 700 beds in this one quarter and still have this base margin. Going forward, there's no plan to add 700 beds in 1 quarter at least for next 4, 5 quarters. So there's only an upside on the margin. In fact, if you look at it, we have clearly mentioned that excluding the capacity expansion that we have done, our EBITDA margins would have been close to 26.5%. So that is the reason why we feel confident that when these new facilities start ramping up on occupancy, there is a big margin expansion that should happen in the coming years.
- Vidhi Shah:** All right. And can you give me...
- Moderator:** Sorry to interrupt, Ms. Shah, may we please request you to rejoin the queue. Many participants are waiting for their turn.
- Vidhi Shah:** my second question, sir...
- Moderator:** Ma'am, we restrict to one question only. Please rejoin the queue. Next question is from the line of Anand B from Ksema Wealth Private Limited.
- Anand B.:** I just want to know the capex -- sorry, not capex, census beds of each of the hospitals in this quarter.
- Nitin Gupta:** We have a census of around 1,750 as of date for all the capacity we are operating.
- Anand B.:** Can you just like break it up from the older annual capacity as well?
- Nitin Gupta:** So you need unit-wise breakup?
- Anand B.:** Yes, yes, breakup by hospital to hospital.
- Nitin Gupta:** In the Greater Noida facility we have 330 beds -- census beds, Noida 110 -- we have 215 beds. Noida Extension we have 390 beds. Jhansi-Orchha, we have around 250 beds. Greater Faridabad Sector 88, we have 150 beds and the rest of the new facility we just added in this quarter in Delhi and Sector 20, Faridabad as well. We have been in ramp-up stage of around 180 each. So that comes to around 1,750.
- Moderator:** Next question is from the line of Santosh Singh from Asha Investments Fund.
- Santosh Singh:** I have one question. Sir, could you please explain the reason behind the reclassifying loan amounting to INR516 crores in this quarter? Additionally, which subsidiary are we seeing this loan? What does the subsidy do? And what is the intended purpose of the loan like working capital or the expansion or any specific project?

- Nitin Gupta:** So basically, it's a subsidiary we have just added the new hospital in Sector 20 Faridabad as one of the subsidiary for which we have given the capital outlay as per the defined object for which we have raised the funds in the QIP. So basically, there is no loan for anything, but it's a deployment for the capex as well as the expansion of the hospital as per defined objects.
- Santosh Singh:** Okay, sir. Got it.
- Yatharth Tyagi:** Our current debt levels are standing at almost 0. So the company is actually debt free. So there is no current debt that any of the holding company or its subsidiaries have taken as of now.
- Moderator:** Next question is from the line of Abhay Sahukar from Convergence Capital.
- Abhay Sahukar:** Congratulations on a good set of numbers. So I just wanted to know that what are the initiatives taken to improve clinical programme? Are there any specific speciality lines, for instance, cardiac, neuro or oncology or any other seeing faster ramp-up in any of the units?
- Amit Kumar Singh:** So we will be going into the unit-wise you see that what is in the market and the facility we are lacking in super speciality and quaternary care. So 1.5 years back, we started in Noida Extension, an entire spectrum of cancer treatment and all the transplant programmes. Similarly, Greater Noida, we started our kidney and liver transplant programme.
- Delhi definitely going to be a full-fledged quaternary care of hospital, including the transplant. Similarly Faridabad as well. So what clinical treatment modalities would be added, that depends on which area we are operating and what are the competitive advantage what we'll have by adding those Super Speciality.
- Similarly Agra also, we're seeing that definitely we will be having the entire speciality care of the facilities in that particular, including probably long-term cancer, right. So this is how we analyze which are the gray areas where we need to invest and what would be the ROI and all these things metrics works.
- Abhay Sahukar:** Perfect. And just a follow-up on that....
- Moderator:** Sorry to interrupt Mr. Sahukar. We please request you to rejoin the queue for the follow-up question, sir. Next question is from the line of Prerana Amanna from Equity Research Programs.
- Prerana Amanna** All my questions have been answered.
- Moderator:** Next question is from the line of Anand Kulkarni from Front Wave Research.
- Anand Kulkarni:** Just one question from my end. Can you share the status of the brownfield expansion of Greater Noida and Noida Extension Hospitals? Like when can we expect this to be operational? And post that, post FY '28, after we achieve our target of 3,000 beds, how are we looking at our bed expansion strategy?
- Yatharth Tyagi:** Yes. So I think both these 2 hospitals capacity should be available for us to be utilised somewhere 15 months from the date today. So 15 should be Greater Noida and maybe 17, 18 months from today should be the Noida extension. Because we will -- and the 3,000 bed capacity

by '28, I think we should cross it much more even earlier because there's something planned next year in terms of acquisition is concerned. So that's -- in fact, we have revised our bed capacity target rather than now talking about 3,000 beds in '28, the bed capacity would be much more for next 3 years from today.

With the Agra addition, we would be around 2,550 beds. We feel that probably in the next 3 to 4 years, there is still scope in the company to even close to double this capacity in next 3 to 4 years, including all these brownfield expansions that are already in place, the upcoming acquisitions and 1 more greenfield that the company is planning very soon within the NCR region. So I think we are looking at a much bigger bed capacity after 4 years from today.

Moderator: Next question is from the line of Abhijeet from PI Asset.

Abhijeet: Just one question. There is a GST rate cut on consumables, reagents and chemicals. So will it be safe to assume that we can retain the benefit?

Sonu Goyal: So there are change in GST that will definitely help us. So that will lead to around 0.3% to 0.5% of the overall revenue. That will change only 0.3 to 0.5% in EBITDA.

Moderator: Next question is from the line of Nirali Shah from Ashika Stock Service.

Nirali Shah: Yes. I just had a follow-up on the cost of borrowing. So what is the highest cost of borrowing that you can consider acceptable?

Nitin Gupta: As on date, we do not have any kind of debt in the books. However, if in future we take up the debt, then generally it comes to around 7.5% to 8% on a rate coupon from the PSU banks.

Nirali Shah: Okay. And we are guiding INR40,000 ARPOB for FY '28, we are consistent on that?

Yatharth Tyagi: So 10% -- 8% to 10% growth clearly from now. I think we are quite confident of reaching there.

Moderator: Next follow-up question is from the line of Akshat Mehta from Seven Rivers Holding.

Akshat Mehta: Just one bookkeeping question, sir. In this quarter or in this half year, we've seen a slight reduction in our cash flow from operations. There is a bump up in other financial liabilities. If you can help us understand what is that?

Sonu Goyal: So basically -- so as I already mentioned, there is a change in policy. The company has taken a call to match the salary payment as per the peers. So now we have started making salaries on the last day of a month. That's why there is a change in other financial liability.

Yatharth Tyagi: Earlier we used to make on the 1st day of the month.

Moderator: Ladies and gentlemen, we will take this as the last question for the day. I would now like to hand the conference over to the management for the closing comments.

Yatharth Tyagi: Thank you, everyone, for tuning into the earnings call of Yatharth Hospital & Trauma Care Services Limited for the Q2 FY 2026. Thank you for your presence.

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

(This document has been edited for readability purpose)

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