

B S R & Co. LLP

Chartered Accountants

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Limited Review report

Review report to The Board of Directors of Narayana Hrudayalaya Limited

We have reviewed the accompanying statement of unaudited standalone financial results ("Statement") of Narayana Hrudayalaya Limited ('the Company') for the quarter ended 30 June 2017 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Regulations, 2015').

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, '*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of SEBI Regulations, 2015 and SEBI Circular dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022

Amit Somani

Amit Somani

Partner

Membership Number: 060154

Place: Bengaluru

Date: 02 August 2017

Narayana Hrudayalaya Limited

Registered office : No. 258/A, Bommasandra Industrial Area, Anekal Taluk, Bengaluru 560099, Karnataka, India
Corporate office : 2nd Floor, No. 261/A, Bommasandra Industrial Area, Hosur Road, Bengaluru 560099, Karnataka, India
CIN : L85110KA2000PLC027497, Website : www.narayanahealth.org, Email: investorrelations@nhhospitals.org

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2017

		(₹ in lakhs, except per share data)			
Sl. No.	Particulars	Quarter ended			Year ended
		30-Jun-17	31-Mar-17	30-Jun-16	31-Mar-17
		(Unaudited)	(Audited) (Refer note 6)	(Unaudited)	(Audited)
1.	Income				
	(a) Revenue from operations	44,109.31	42,273.21	40,044.41	164,591.44
	(b) Other income	669.87	626.37	306.38	1,814.62
	Total income	44,779.18	42,899.58	40,350.79	166,406.06
2.	Expenses				
	(a) Purchases of medical consumables, drugs and surgical equipments	13,148.20	9,024.44	9,755.45	38,655.06
	(b) Changes in inventories of medical consumables, drugs and surgical equipments	(2,379.27)	520.61	(94.39)	47.35
	(c) Employee benefits expenses	9,231.05	8,101.22	8,099.38	32,982.97
	(d) Professional fees to doctors	9,153.83	8,636.07	7,868.41	32,741.68
	(e) Other expenses	10,429.18	10,463.58	9,386.75	38,925.79
	Total expenses	39,582.99	36,745.92	35,015.60	143,352.85
3.	Earnings before depreciation and amortisation, finance costs and exceptional items (1-2) (EBITDA) (refer note 5)	5,196.19	6,153.66	5,335.19	23,053.21
4.	Finance costs	455.78	381.53	288.74	1,180.82
5.	Depreciation and amortisation expense	1,797.50	1,830.54	1,602.17	6,820.57
6.	Profit before tax and exceptional items (3-4-5)	2,942.91	3,941.59	3,444.28	15,051.82
7.	Exceptional items (refer note 2)	-	-	-	319.08
8.	Profit before tax (6-7)	2,942.91	3,941.59	3,444.28	14,732.74
9.	Tax expense	1,005.61	1,496.95	1,179.16	5,221.85
10.	Profit for the period/ year (8-9)	1,937.30	2,444.64	2,265.12	9,510.89
11.	Other comprehensive income				
	<i>Items that will not be reclassified subsequently to profit or loss</i>				
	(a) Re-measurement gains/(losses) on defined benefit plans	29.83	(30.57)	123.18	57.63
	(b) Income tax effect	(10.26)	10.90	(42.63)	(19.62)
	Other comprehensive income, net of taxes	19.57	(19.67)	80.55	38.01
12.	Total comprehensive income (10+11)	1,956.87	2,424.97	2,345.67	9,548.90
13.	Paid-up equity share capital (Face value of ₹ 10 each)	20,436.08	20,436.08	20,436.08	20,436.08
14.	Reserve excluding revaluation reserves i.e. 'Other Equity' as per balance sheet of previous accounting year.	-	-	-	85,411.10
15.	Earnings per share (of ₹ 10 each) :	not annualised	not annualised	not annualised	annualised
	(a) Basic	0.96	1.21	1.12	4.70
	(b) Diluted	0.95	1.20	1.12	4.69
	See accompanying notes to the financial results				

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Notes:

1. The statement of unaudited standalone financial results ('the Statement') of Narayana Hrudayalaya Limited ('the Company') for the quarter ended 30 June 2017 has been reviewed by the Audit, Risk and Compliance Committee and approved by the Board of Directors on 02 August 2017.
The statements has been subjected to limited review by the statutory auditor of the Company. The report of the statutory auditor is unqualified.
2. Exceptional item for the year ended 31 March 2017 represents loss of ₹ 319.08 lakhs on sale of its investment in wholly owned subsidiary "Asia Healthcare Development Limited" through a sale agreement dated 10 November 2016.
3. The Company's operating segment is 'Medical and Healthcare Services'. Since the Company has a single operating segment, disclosures pertaining to segments as per Regulation 33(1)(e) read with clause (L) of Part A of Schedule IV of the SEBI Regulations is not applicable.
4. Pursuant to the approval on 21 April 2017 by the Committee formed by the Board of Directors, the Company signed a Share Purchase Agreement ('SPA') and acquired 100% equity and preference shares in NewRise Healthcare Private Limited ('NewRise'), a wholly owned subsidiary of Panacea Biotech Limited for a consideration of ₹ 7,564 lakhs payable in cash. As per the SPA, the Company granted a loan of ₹ 10,329 lakhs to NewRise.
Further, the Company has taken necessary steps to amalgamate NewRise with the Company under Section 233 of the Companies Act, 2013. The consent of the Shareholders and Creditors is being sought in their respective meetings scheduled in August 2017.
5. As permitted by Schedule III of the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss in the financial statements. The same classification is also followed while presenting the Statement pursuant to the requirement of the SEBI Regulations. The Company has included other income and excluded depreciation and amortisation expense, finance costs, exceptional items and tax expense for the EBITDA presentation.
6. The figures for the quarter ended 31 March 2017 are the balancing figures between audited figures in respect of the full previous financial year and the published unaudited year to date figures upto the end of the third quarter of the previous financial year, which were subjected to limited review.

for and on behalf of the Board of Directors of
Narayana Hrudayalaya Limited



Dr. Ashutosh Raghuvanshi
Managing Director

Place: Bengaluru
Date : 02 August 2017

