

Date of Submission: 31st January 2018

To The Secretary Listing Department BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code - 539551	To The Secretary Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Mumbai – 400 050 Stock Code- NH
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Dear Sir/Madam,

Sub: Financial Result for the quarter ended 31st December, 2017.

Ref: Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

With reference to the captioned subject, please find enclosed unaudited Financial Results (Standalone and Consolidated) of the Company for quarter ended 31st December, 2017 duly reviewed by Audit, Risk and Compliance Committee and considered and approved by the Board of Directors of the Company.

Kindly take the above said information on record as per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You,

Yours faithfully

For NARAYANA HRUDAYALAYA LIMITED


Sridhar S

Group Company Secretary, Legal and Compliance Officer

Encl: A/A

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
NARAYANA HRUDAYALAYA LIMITED**

1. We have reviewed the accompanying Statement of Standalone Financial Results of **NARAYANA HRUDAYALAYA LIMITED** ("the Company"), for the quarter and nine months ended December 31, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

V. Balaji

V. Balaji
Partner

Membership No. 203685

Place: Bengaluru
Date: January 31, 2018



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 STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2017

		(₹ in lakhs, except per share data)					
Sl. No.	Particulars	Quarter ended			Nine months ended		Previous year ended
		31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1.	Income						
	(a) Revenue from operations	46,109.96	46,901.24	39,680.45	137,120.51	122,318.23	164,591.44
	(b) Other income	385.89	476.20	419.81	1,362.65	1,188.25	1,814.62
	Total income	46,495.85	47,377.44	40,100.26	138,483.16	123,506.48	166,406.06
2.	Expenses						
	(a) Purchases of medical consumables, drugs and surgical equipments	10,524.19	10,232.37	9,406.77	33,904.77	29,630.62	38,655.06
	(b) Changes in inventories of medical consumables, drugs and surgical equipments	711.06	1,192.15	(31.23)	(476.06)	(473.26)	47.35
	(c) Employee benefits expenses	8,893.25	9,326.42	8,353.25	27,459.88	24,881.75	32,982.97
	(d) Professional fees to doctors	9,871.30	9,596.79	8,035.86	28,621.92	24,105.61	32,741.68
	(e) Other expenses	11,592.32	11,547.37	9,048.09	33,609.10	28,462.21	38,925.79
	Expenses before depreciation and amortisation, finance costs and exceptional items	41,592.12	41,895.10	34,812.74	123,119.61	106,606.93	143,352.85
3.	Earnings before depreciation and amortisation, finance costs and exceptional items (1-2) (EBITDA)	4,903.73	5,482.34	5,287.52	15,363.55	16,899.55	23,053.21
4.	Finance costs	352.34	387.08	237.11	1,196.34	799.29	1,180.82
5.	Depreciation and amortisation expense	1,777.03	2,110.34	1,709.87	5,684.87	4,990.03	6,820.57
	Total expenses (2+4+5)	43,721.49	44,392.52	36,759.72	130,000.82	112,396.25	151,354.24
6.	Profit before tax and exceptional items (3-4-5)	2,774.36	2,984.92	3,340.54	8,482.34	11,110.23	15,051.82
7.	Exceptional items (refer note 2)	-	115.76	319.08	115.76	319.08	319.08
8.	Profit before tax (6-7)	2,774.36	2,869.16	3,021.46	8,366.58	10,791.15	14,732.74
9.	Tax expense	987.83	964.36	1,088.70	2,957.81	3,724.90	5,221.85
10.	Profit for the period/ year (8-9)	1,786.53	1,904.80	1,932.76	5,408.77	7,066.25	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	(22.23)	2.82	(18.52)	10.42	88.19	57.63
	(b) Income tax effect	7.69	(1.04)	6.41	(3.61)	(30.52)	(19.62)
	Other comprehensive income, net of taxes	(14.54)	1.78	(12.11)	6.81	57.67	38.01
12.	Total comprehensive income (10+11)	1,771.99	1,906.58	1,920.65	5,415.58	7,123.92	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	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	not annualised	not annualised	annualised
	(a) Basic	0.88	0.94	0.95	2.67	3.49	4.70
	(b) Diluted	0.88	0.94	0.95	2.66	3.48	4.69
	See accompanying notes to the financial results						

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NARAYANA HRUDAYALAYA LIMITED

Notes:

1. The statement of standalone financial results ('the Statement') of Narayana Hrudayalaya Limited ('the Company') for the quarter and nine months ended 31 December 2017 has been reviewed by the Audit, Risk and Compliance Committee and approved by the Board of Directors on 31 January 2018.

The statement has been subjected to limited review by Deloitte Haskins & Sells LLP, the statutory auditor of the Company. The report of the statutory auditor is unqualified.

2. Exceptional item for the quarter ended 30 September 2017 and nine months ended 31 December 2017 represents loss of ₹ 115.76 lakhs on impairment of investment in its associate "Trimedx India Private Limited".
Also, exceptional item for the quarter and nine months ended 31 December 2016 and 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. Ascension Health Ventures LLC, USA (AHV), an affiliate of Ascension Health Alliance, USA (AHA) holds 71.4% stake in Health City Cayman Islands Ltd (HCCI), an associate of Narayana Hrudayalaya Ltd (NHL) which through Narayana Cayman Holding Ltd (a wholly owned subsidiary of NHL) holds the balance 28.6%. The aforesaid parties had entered into a definitive agreement on 06 November 2017 whereby HCCI would buyback 71.4% stake from AHV for a consideration of US\$ 32.26 million. The aforesaid buyback had been concluded in all respects on 12 January 2018. Consequent to this buyback, HCCI has become a wholly owned step down subsidiary of NHL.
5. Amounts for the quarter and nine months ended 31 December 2016 and year ended 31 March 2017 were reviewed/audited by the previous auditors - BSR & CO LLP.

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



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Dr. Ashutosh Raghuvanshi
Managing Director

Place: Bengaluru

Date : 31 January 2018

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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF NARAYANA HRUDAYALAYA LIMITED

1. We have reviewed the accompanying Statement of Consolidated Financial Results of **NARAYANA HRUDAYALAYA LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the loss of its associates for the quarter and nine-months ended December 31, 2017 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 Parent's 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.
3. The Statement includes the results of the following entities:

Sl. No.	Entity	Relationship
1.	Narayana Hrudayalaya Limited	Parent
2.	Narayana Institute for Advanced Research Private Limited	Subsidiary
3.	Narayana Hospitals Private Limited	Subsidiary
4.	Narayana Health Institutions Private Limited	Subsidiary
5.	Meridian Medical Research & Hospital Limited	Subsidiary
6.	Narayana Vaishno Devi Specialty Hospitals Private Limited	Subsidiary
7.	Narayana Hrudayalaya Surgical Hospital Private Limited	Subsidiary
8.	Narayana Cayman Holdings Limited	Subsidiary
9.	Narayana Hrudayalaya Hospitals Malaysia Sdn. Bhd.	Subsidiary
10.	Narayana Holdings Private Limited	Subsidiary
11.	Trimedx India Private Limited	Associate
12.	Health City Cayman Islands Limited	Associate
13.	ISO Healthcare Group	Associate
14.	CURA Technologies Inc	Associate



Deloitte Haskins & Sells LLP

4. Based on our review conducted as stated above and based on the consideration of the review reports of the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review the standalone interim financial results of three subsidiaries included in the consolidated financial results, whose interim financial results reflect total revenues of Rs. 9.45 lakhs and Rs. 25.38 lakhs for the quarter and nine months ended December 31, 2017 respectively, total loss after tax of Rs. 20.76 lakhs and Rs. 52.60 lakhs respectively and total comprehensive loss of Rs. 20.76 lakhs and Rs. 52.60 lakhs respectively for the quarter and nine-months ended December 31, 2017, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of profit after tax of Rs. 122.62 lakhs and Rs. 123.55 lakhs for the quarter and nine-months ended December 31, 2017 respectively, as considered in the consolidated financial results, in respect of two associates, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and associates, is based solely on the reports of the other auditors.

Our report on the Statement is not modified in respect of this matter.

6. The consolidated financial results also include the Group's share of loss after tax of Rs. 64.65 lakhs and 334.33 lakhs for the quarter and nine months ended December 31, 2017, in respect of one associate, based on their interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our report on the Statement is not modified in respect of our reliance on the Management certified interim financial results of the aforesaid associate.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



V. Balaji
Partner

Membership No. 203685

Place: Bengaluru
Date: January 31, 2018



STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2017

Sl. No.	Particulars	(₹ in lakhs, except per share data)					
		Quarter ended			Nine months ended		Previous year ended
		31-Dec-17 (Unaudited)	30-Sep-17 (Unaudited)	31-Dec-16 (Unaudited)	31-Dec-17 (Unaudited)	31-Dec-16 (Unaudited)	31-Mar-17 (Audited)
1.	Income						
	(a) Revenue from operations	55,383.72	55,916.35	45,526.95	163,411.06	139,463.80	187,816.49
	(b) Other income	371.00	571.11	389.11	1,465.03	1,175.47	1,748.24
	Total Income	55,754.72	56,487.46	45,916.06	164,876.09	140,639.27	189,564.73
2.	Expenses						
	(a) Purchase of medical consumables, drugs and surgical equipment	12,663.49	11,998.14	10,543.59	40,035.44	33,496.08	43,887.90
	(b) Changes in inventories of medical consumables, drugs and surgical equipments	715.01	1,547.68	139.86	(503.67)	(747.13)	(298.09)
	(c) Employee benefits expenses	10,678.61	10,948.20	9,525.31	32,351.90	28,280.48	37,521.05
	(d) Professional fees to doctors	12,152.71	11,648.79	9,497.02	34,850.92	28,390.24	38,557.35
	(e) Other expenses	14,027.89	13,963.81	10,564.36	40,680.37	33,171.82	45,262.74
	Expenses before depreciation and amortisation, finance costs and exceptional items	50,237.71	50,106.62	40,270.14	147,414.96	122,591.49	164,930.95
3.	Earnings before depreciation and amortisation, finance costs and exceptional items (1-2) (EBITDA)	5,517.01	6,380.84	5,645.92	17,461.13	18,047.78	24,633.78
4.	Finance costs	823.91	775.16	548.89	2,630.03	1,623.59	2,180.34
5.	Depreciation and amortisation expense	2,350.86	2,854.84	2,003.65	7,387.34	5,869.32	7,992.08
	Total Expenses (2+4+5)	53,412.48	53,736.62	42,822.68	157,432.33	130,084.40	175,103.37
6.	Profit before tax and exceptional items (3-4-5)	2,342.24	2,750.84	3,093.38	7,443.76	10,554.87	14,461.36
7.	Exceptional items (refer note 2)	-	115.76	134.03	115.76	134.03	134.03
8.	Profit before share of loss of equity accounted investees and income tax (6-7)	2,342.24	2,635.08	2,959.35	7,328.00	10,420.84	14,327.33
9.	Share of (loss) / profit of equity accounted investees	58.17	(15.38)	(167.20)	(210.78)	(612.91)	(793.41)
10.	Profit before tax (8+9)	2,400.41	2,619.70	2,792.15	7,117.22	9,807.93	13,533.92
11.	Tax expense	987.83	965.12	1,092.79	2,957.81	3,735.78	5,236.61
12.	Profit for the period/ year (10-11)	1,412.58	1,654.58	1,699.36	4,159.41	6,072.15	8,297.31
13.	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	6.17	(33.22)	(38.19)	(1.78)	50.26	23.07
	(b) Income tax effect	7.69	(1.04)	6.41	(3.61)	(30.52)	(19.62)
	Other comprehensive income, net of taxes	13.86	(34.26)	(31.78)	(5.39)	19.74	3.45
14.	Total comprehensive income (12+13)	1,426.44	1,620.32	1,667.58	4,154.02	6,091.89	8,300.76
15.	Profit attributable to:						
	Owners of the company	1,411.10	1,654.89	1,701.73	4,159.83	6,078.34	8,305.21
	Non-controlling interests	1.48	(0.31)	(2.37)	(0.42)	(6.19)	(7.90)
	Profit for the period/ year	1,412.58	1,654.58	1,699.36	4,159.41	6,072.15	8,297.31
16.	Other comprehensive income attributable to:						
	Owners of the company	13.56	(34.40)	(31.56)	(5.40)	20.06	3.75
	Non-controlling interests	0.30	0.14	(0.22)	0.01	(0.32)	(0.30)
	Other comprehensive income for the period/ year	13.86	(34.26)	(31.78)	(5.39)	19.74	3.45
17.	Total comprehensive income attributable to:						
	Owners of the company	1,424.66	1,620.49	1,670.17	4,154.43	6,098.40	8,308.96
	Non-controlling interests	1.78	(0.17)	(2.59)	(0.41)	(6.51)	(8.20)
	Total comprehensive income for the period/ year (15+16)	1,426.44	1,620.32	1,667.58	4,154.02	6,091.89	8,300.76
18.	Paid-up equity share capital (Face value of ₹ 10 each)	20,436.08	20,436.08	20,436.08	20,436.08	20,436.08	20,436.08
19.	Reserves excluding revaluation reserves i.e. 'Other Equity' as per balance sheet of previous accounting year	-	-	-	-	-	75,872.10
20.	Earnings per share (of ₹ 10 each):	not annualised	not annualised	not annualised	not annualised	not annualised	annualised
	(a) Basic	0.70	0.82	0.84	2.05	3.00	4.10
	(b) Diluted	0.70	0.82	0.84	2.05	3.00	4.09
	See accompanying notes to the financial results						

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Notes:

- 1 The statement of consolidated financial results ('the Statement') of Narayana Hrudayalaya Limited ('the Company'), its subsidiaries and associates (collectively referred to as 'the Group') for the quarter and nine months ended 31 December 2017 has been reviewed by the Audit, Risk and Compliance Committee and approved by the Board of Directors on 31 January 2018.
The statement has been subjected to limited review by Deloitte Haskins & Sells LLP, the statutory auditor of the Company. The report of the statutory auditor is unqualified.
- 2 Exceptional item for the quarter ended 30 September 2017 and nine months ended 31 December 2017 represents loss of ₹ 115.76 lakhs on impairment of investment in its associate "Trimedx India Private Limited".
Also, exceptional item for the quarter and nine months ended 31 December 2016 and 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 Group's operating segment is 'Medical and Healthcare Services'. Since the Group 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 Ascension Health Ventures LLC, USA (AHV), an affiliate of Ascension Health Alliance, USA (AHA) holds 71.4% stake in Health City Cayman Islands Ltd (HCCI), an associate of Narayana Hrudayalaya Ltd (NHL) which through Narayana Cayman Holding Ltd (a wholly owned subsidiary of NHL) holds the balance 28.6%. The aforesaid parties had entered into a definitive agreement on 06 November 2017 whereby HCCI would buyback 71.4% stake from AHV for a consideration of US\$ 32.26 million. The aforesaid buyback had been concluded in all respects on 12 January 2018. Consequent to this buyback, HCCI has become a wholly owned step down subsidiary of NHL.
- 5 Amounts for the quarter and nine months ended 31 December 2016 and year ended 31 March 2017 were reviewed/audited by the previous auditors - BSR & CO LLP.

Place: Bengaluru
Date: 31 January 2018



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

Dr. Ashutosh Raghuvanshi
Managing Director

Dr. Ashutosh Raghuvanshi
31 Jan 2018