

# Deepam Hospital

Chennai India



## Overview of the Investment Opportunity

2010

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### Important Notice

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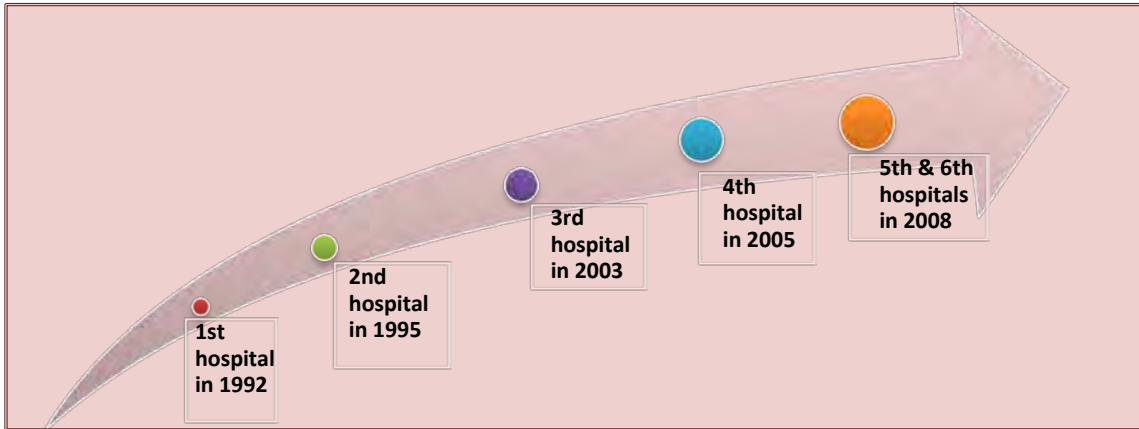
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## Introduction


Deepam Hospital Limited [DEEPAM] is a company registered under the Companies Act, 1956 engaged in the business of delivering “comprehensive, quality healthcare services with a *healing touch* at an affordable cost” for the population of South Chennai, India.

## Historical Development



## Hospitals and Location

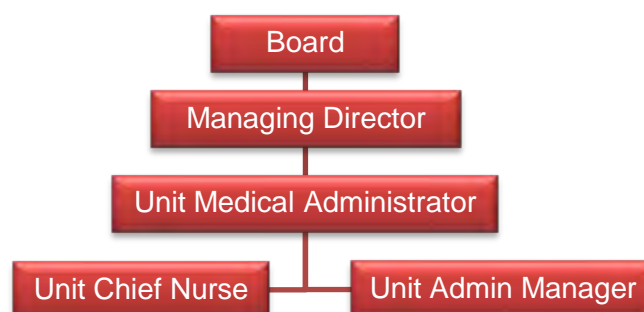
DEEPAM directly and through its wholly owned subsidiaries offers primary and secondary healthcare services for the residents of South Chennai, through its following clinical establishments:

	Clinical Establishments	Ref	Ownership
	JSP Hospital Chengalpet	DHU-1	JSP Hospitals P. Ltd (100% Subsidiary of DEEPAM)
	Deepam Hospital Unit –I Tambaram	DHU-2	DEEPAM
	Deepam Hospital Unit-II Tambaram	DHU-3	DEEPAM
	Deepam Healthcare Centre Chromepet	DHU-4	Deepam Health Care Centre P. Ltd (100% Subsidiary of DEEPAM)
	Deepam Hospital Pammal	DHU-5	DEEPAM
	Deepam Kidney Centre, Tambaram	DHU-6	DEEPAM

## Clinical Establishment Summary

	Particulars	DHU-1	DHU-2	DHU-3	DHU-4	DHU-5	DHU-6
1	Ownership	Free hold	Free hold	Lease hold	Free hold	Lease hold	Lease hold
2	No. of Beds	54	26	39	28	12	5
3	Average Out patients / day	53	85	85	38	51	15
4	Average Admissions / day	12	5	8	6	3	Daycare
5	Avg. Occupancy	85%	85%	85%	85%	85%	--
6	No. of Operating Theatres	2	2	2	2	2	--
7	Average Length of Stay(ALOS)	3.99	4.42	4.42	3.99	3.40	--

## Governing Structure



## Promoters

The core promoter group consists of highly skilled medical professionals with rich and diverse experience across a broad spectrum of medical specialization.

Directors of DEEPAM	
<b>Dr. T. N. Ravishankar</b> MBBS FCGP	<b>Dr. P. Ramanathan</b> MS DO
<b>Dr. A. Pandian</b> MBBS DO MS	<b>Dr. S. Murthy</b> MBBS FD Ortho
<b>Dr. C. J. Vetriavel</b> MBBS M Phil (Hosp Mgmt)	<b>Dr. N. Viswanathan</b> MBBS FCGP
<b>Mr. C. Lakshmanan</b> ACA	<b>Dr. R. Saravanan</b> MD DA
<b>Dr. O. V. Jayakumar</b> MBBS DCH	<b>Mrs. B. Saroja</b>

More than 95% of DEEPAM shares are held by over 150 Practicing Medical Professionals.

## Healthcare Market Overview

The private healthcare market in India has exhibited consistently substantial growth Year over Year. Forecasts show this growth will continue as a result of:

- Demographics, lifestyle, rising incomes, hectic pace of life and stress;
- Greater awareness about health and demand for quality healthcare;
- The healthcare sector's perceived 'recession-proof' nature; and
- The demand-supply gap.

## The Opportunity in South Chennai

This is a unique opportunity to invest into **DEEPAM**, a highly profitable, well established, well located, Doctors invested and fully operational private Secondary Care Network of Hospitals with plans to expand its base and also set up a Tertiary Care Hospital for its need.

DEEPAM provides wide range of preventive, surgical, medical and diagnostic care across a range of both major and minor procedures and is a leading provider in its market.

DEEPAM has exhibited strong growth serving the self pay, insurance and corporate market and has significant development potential through both growth in the existing portfolio and new hospital additions.

## Investment Highlights

### DEEPAM

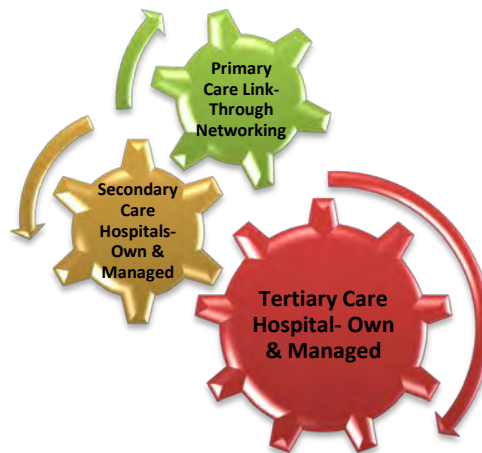
- is well established and has a track record in South Chennai market
- is Doctors invested and Doctors driven
- holds strong relationship with the medical professionals
- has a balanced and robust patient base
- has a Current business EBITDA of around 25%
- has attracted talent and experienced team on board to implement new projects



## Growth Plan of DEEPAM

DEEPAM is pursuing to

- strengthen its Primary Care Network
- increase its market share in Secondary Care Hospital segment
- establish a Tertiary Care Hospital in the region



On completion of the growth plan, DEEPAM would be operating around 715 beds delivering comprehensive quality affordable healthcare for the population of south Chennai.

DEEPAM's Proposed Growth Plan	Avg. Beds per Unit	No of Units	Total Beds	Expected Commencement
DHU-2, expansion plan	11	1	11	April 2010
Brownfield High End Secondary Care Hospital - Building taken on lease	100	1	100	May 2010
<b>Greenfield Tertiary Care Hospital *</b>	200	1	200	Nov 2011
35 Bed Secondary Care Hospitals	35	7	245	2010 / 2011
<b>Existing Beds</b>			<b>159</b>	
<b>Total beds in South Chennai Cluster</b>			<b>715</b>	<b>Year 2011</b>

**\*State Bank of India has validated and approved Term Loan of INR 270 million. Land acquired and pre construction statutory applications in progress.**



## Consolidated Financial Performance

Particulars	2008-09 INR mio	2009-10 [E] INR mio
1 Income from Health Care Services	112.64	160.00
2 EBITDA	28.68	41.29
3 Profit Before Tax	11.68	27.25

Particulars	2008-09	2009-10 [E]
4 EBITDA Margin	25%	26%

## Funds Required

**INR 500 million** by way of issuing Fresh Equity

## Further Information

An Information memorandum will be made available to parties with the interest to invest, after the signing of a non-disclosure agreement (NDA).

For more information please contact:

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