



nephroplus
dialysis made easy

Dialysis redefined in India @ \$25

September 2018

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Speaker introduction

Vikram Vuppala
Founder and CEO



- 17+ years of global healthcare experience (McKinsey, Abbott & ZS Associates)
- B.Tech (IIT Kharagpur), MS (UIC), MBA (Chicago Booth)
- Reason for entrepreneurship: Tired of making PPTs in consulting!

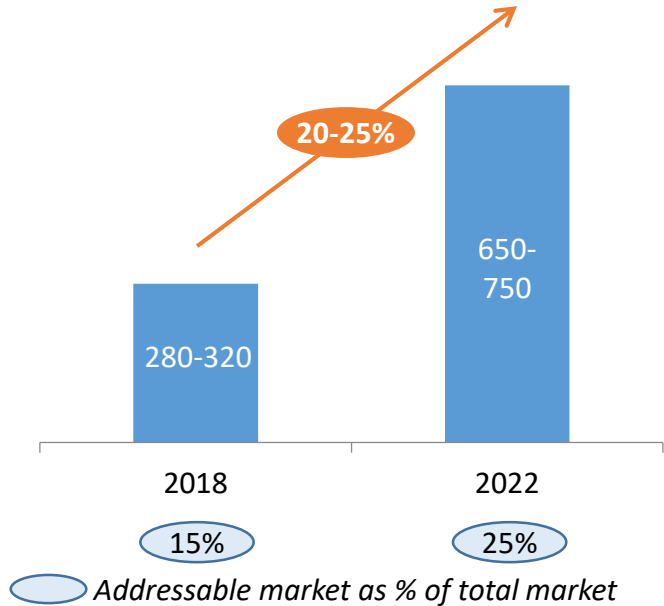
Kamal D. Shah
Co-founder & Director, Patient Services



- Amongst the savviest dialysis patients in Asia
- On Daily home hemo nocturnal dialysis for 21 years!
- B.Tech (Osmania University)
- Reason for entrepreneurship: Use personal experience to change the way dialysis is done in India!

Only 15% of patients (1.5L out of 10L) in India who need dialysis have access to this life saving treatment today!

Market Size and Projections (USD mm)



Reasons driving growth

Growth in Patient Base	Diabetes and Hypertension growing at 2.5%+ p.a.
	Life expectancy constantly increasing – 68.3 years in 2015 v/s 66.5 in 2010
Growth in Access and Affordability	Increasing incomes of middle class households
	Increasing Govt. healthcare support – through PPP projects and National Health Insurance Scheme
	Private insurance coverage growing at 20%+ p.a.

Dialysis market is now moving towards the pure play operators while Hospitals still continue to operate the majority

Dialysis market fragmentation

		% of Current Market
Hospital operated	<ul style="list-style-type: none">Model followed by all large hospital chains (Apollo, Fortis, IHH)Low returns for hospitals – dialysis one of the least realization departments	75%
Nephrologist operated	<ul style="list-style-type: none">Model followed mostly in non-tier 1 citiesLow scale with significant hassle for doctor; could be under risk as insurance coverage increases	~5%
Dialysis network operated	<ul style="list-style-type: none">Relatively new segment – has come up in the last 6-8 yearsCould benefit the entire ecosystem – lower hassle, better returns	20%

NephroPlus is the largest, most distributed and only profitable quality dialysis network in India

Business Description

- NephroPlus is India's largest dialysis center network with 150 locations across 88 cities in 18 states
- Co-founder on dialysis for 21+ years; Understand patients like no other dialysis network
- Backed by marquee global investors such as Bessemer Venture Partners, IFC, and Sealink Capital
- Chairman of the Board and Chief Medical Officer positions filled by World renowned Nephrologists
- NephroPlus aims to continue to dominate in India and expand to 4 additional countries over the next 4 years

Key Data Points

Founded:	2010	Employees:	~2,200
2019P Revenue:	USD 30 mm	Locations:	150 Facilities

**150
Locations**

**18
States**

**>100K
Dialysis Sessions /
Month**

**1,650+
Dialysis Machines**

**~75%
Capacity Utilization**

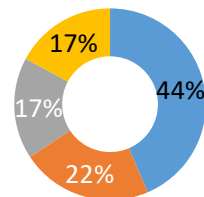
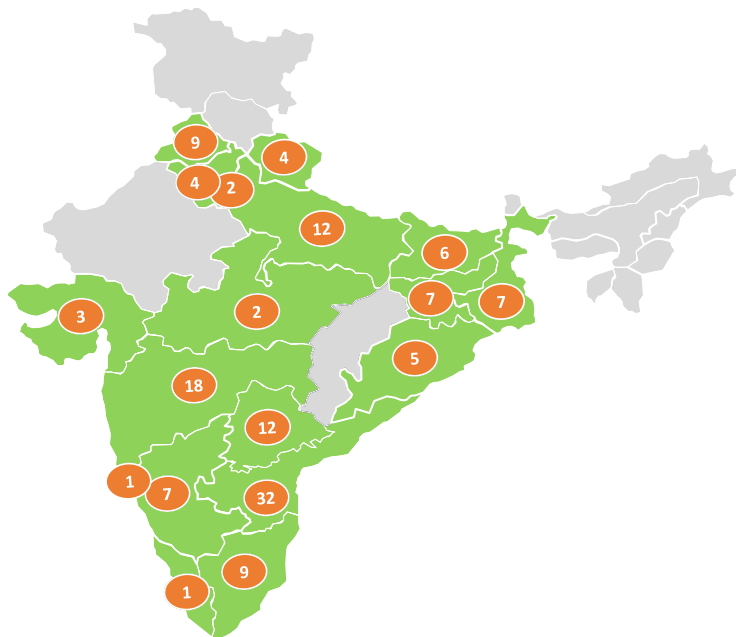
**~2,200
Employees**

**~60%
Revenue CAGR Over
the Past 4 Years**

**~25+%
Operational level
EBITDA Margins**

In just 8 years, we become the largest network in India and 8th largest in the World by treatments (2nd largest in India is < 30% of our size)

Location count by region



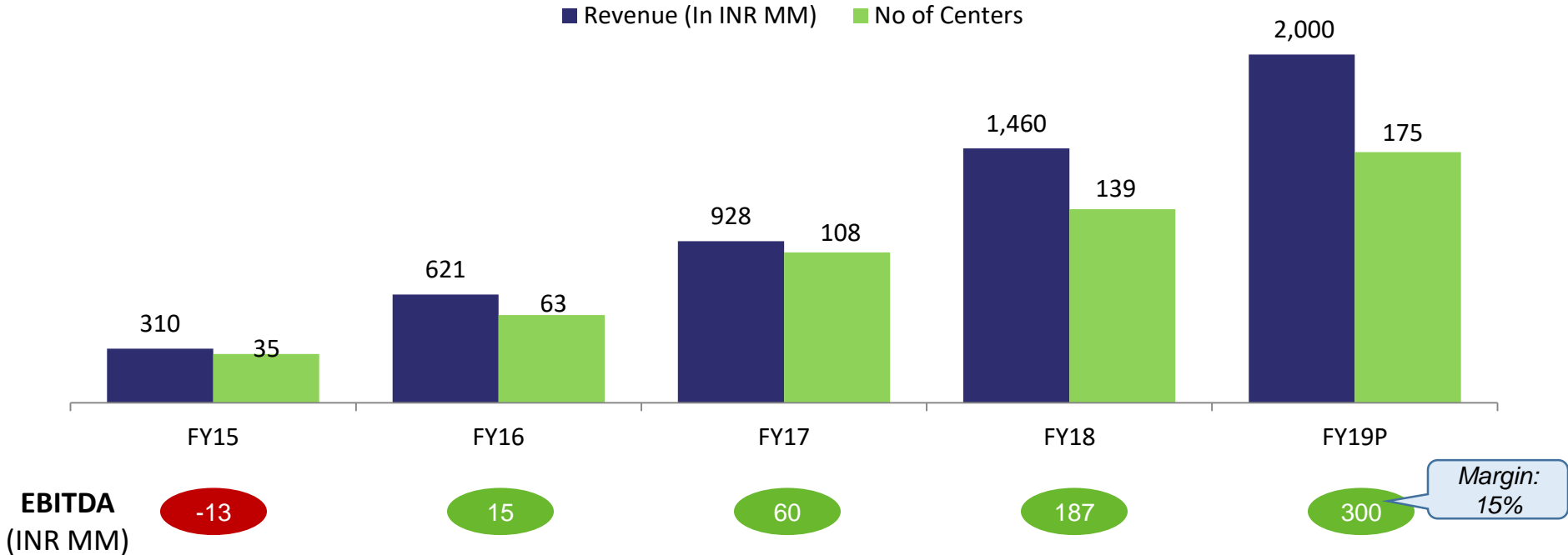
- South
- North
- West
- East

Key partner hospitals



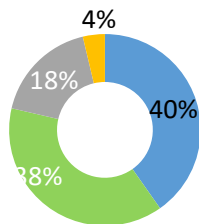
Rapid growth achieved historically through growth in centers via outsourcing contracts and increased utilization of capacity

Rapid Growth in Revenue [CAGR (FY15-FY19P) : ~60%]

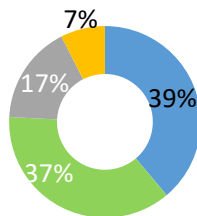


No major revenue concentration with margins improving across all regions

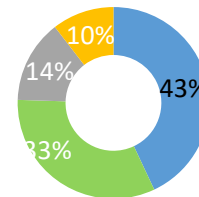
Revenue (INR MM)¹ – No Revenue Concentration



FY16



FY17

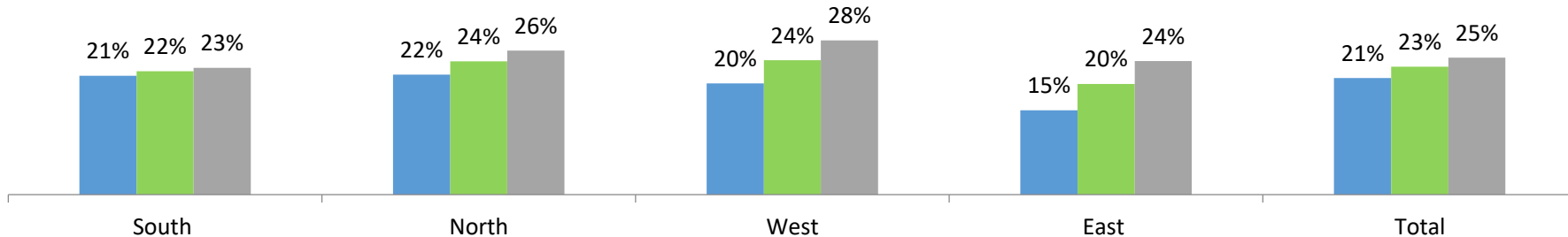


FY18

- South
- North
- West
- East

EBITDA Margins (%)¹ – Improving across the board

FY16 FY17 FY18



What is so special about NephroPlus that has enabled us to make such significant impact in just 8 years?

Patient Centricity

- Cofounder on dialysis
- Promote community feeling – call patients ‘guests’, celebrate birthdays, Olympiad etc.
- We understand patients better than any other company!

Continuous Innovation

- Focus on Infection prevention
- Usage of Technology to reduce cost and improve standardization
- Open to new business model innovation



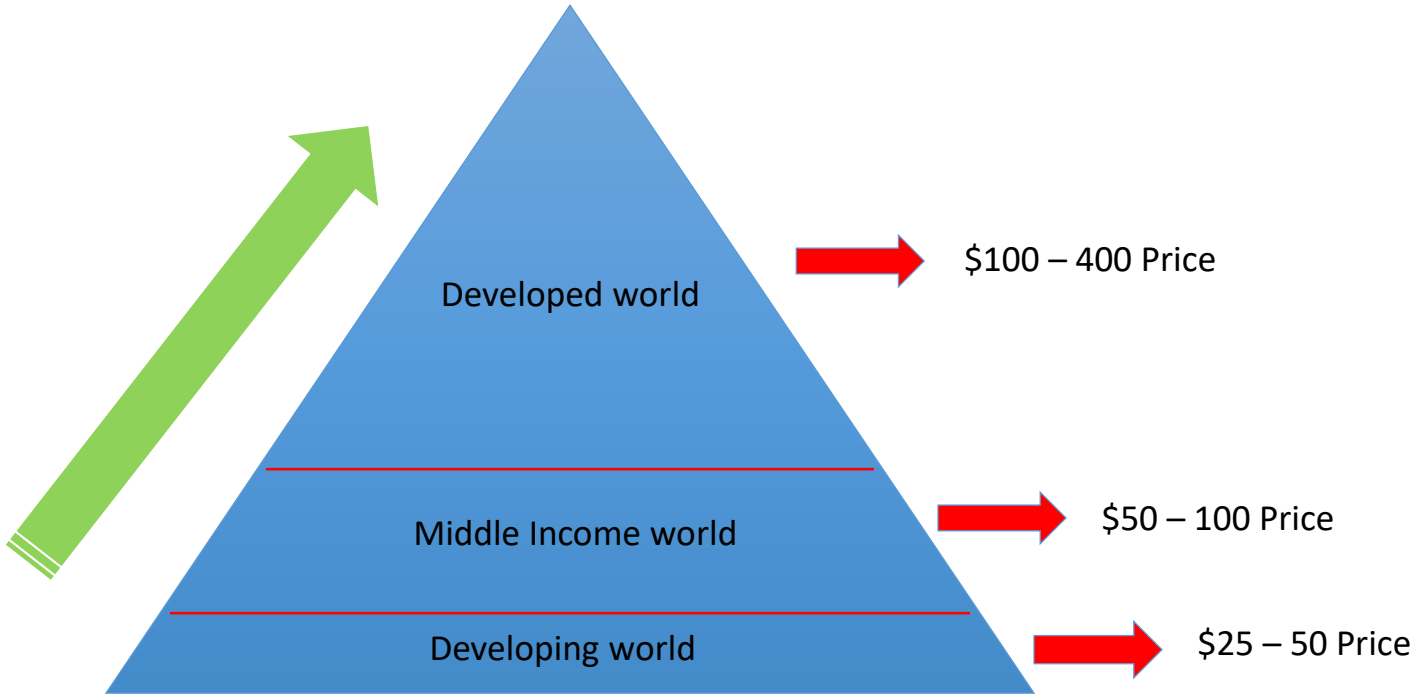
Fierce Culture

- NephroPlus Way implemented across the Firm
- CEO interviews all managers and above
- Can live with high “good attrition”

Relentless Ops excellence

- Lean Operational model honed
- Built new Ops leaders via rotation program
- Very frequent training – unlimited budget!

NephroPlus in next 5 years is going to redefine dialysis in middle income markets which will eventually disrupt developed markets!





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THANK YOU!

**Best Medical Services Outsourcer,
Healthcare Business International Awards
London, 2017**

