Max Healthcare Institute Ltd.

11th February 2026 | Close* – ₹1,021.50/- | View – **Hold**

Q3FY26 Performance

- During Q3FY26, the company reported gross revenue of ₹2,608crs, registering a 10% YoY growth, while net revenue stood at ₹2,484crs, up 9% YoY, mainly driven by an increase in OBDs. International patient revenue stood at ₹230crs, reporting 14% YoY growth, and accounted for ~9% of total revenue.
- Operating EBITDA increased 4% YoY to ₹648crs, although margins moderated to 26% (vs 27% in Q3FY25) due to higher direct costs and pre-commissioning expenses related to capacity additions.
- PAT increased 10% YoY to ₹345crs, despite the impact of ₹55crs of exceptional items, higher depreciation, and elevated finance costs. On a sequential basis, revenue declined 3%, while profitability moderated, primarily due to margin compression and the absence of the one-time tax benefit recorded in Q2FY26.
- EBITDA per bed stood at ₹71.3 lakh, marginally lower vs ₹73.0 lakh in Q3 FY25 and ₹73.4 lakh in Q2 FY26.
- Average bed occupancy for the quarter was 74%, with Occupied Bed Days (OBDs) increased by 7% YoY, indicating steady underlying volume growth.
- ARPOB for Q3 FY26 improved to ₹77.9k, up from ₹75.9k in Q3 FY25 and ₹77.3k in Q2 FY26, driven by case-mix improvement and pricing actions.
- Max Lab (non-captive pathology) reported revenue of ₹47crs, registering 13% YoY growth; the network has expanded to 60+ cities with a test portfolio of 2,700+ offerings.
- Max@Home recorded gross revenue of ₹68crs, growing 23% YoY and 7% QoQ, led by strong traction in physiotherapy & rehabilitation, nursing care and attendants (assistance services), and sample collection and medicine delivery (transactional services).

Update on Recent Transactions and Bed Additions

- Executed a Share Purchase Agreement for the staggered acquisition of 100% equity in Yerawada Properties Pvt. Ltd. (YPPL) to develop a ~450-bed hospital on a prime land parcel in Pune; the facility is expected to be commissioned in 2030, marking MHIL's fourth hospital in Western India.
- MSSH Mohali (brownfield expansion): 53 beds commissioned out of the planned 160 beds, with current occupancy of 46 beds and EBITDA margin of ~39%; balance beds to be commissioned by February-end.
- Nanavati Max (brownfield expansion): 63 beds operationalised out of the proposed 280 beds, with current occupancy of 45 beds and EBITDA margin of ~31%; remaining beds to be commissioned by March-end.
- Max Smart (brownfield expansion): 400-bed tower expected to be commissioned in a phased manner by February-end, subject to receipt of regulatory approvals.
- MSSH Dwarka: Board approved brownfield expansion of 260 additional beds, to be constructed by the partner, taking the overall capacity to 560 beds.
- Corporate restructuring: Following approval of the Scheme of Amalgamation, wholly owned subsidiaries Crosslay Remedies Ltd (CRL) and Jaypee Healthcare Ltd (JHL) were amalgamated effective December 15, 2025, with the merged entity renamed Crosslay Remedies Limited.

Important Statistics

Nifty	25,935.15
Sensex	84,273.92
Close*(₹)	1,021.50
M.CAP (₹ bn)	₹994.20
52 Week H/L (₹)	₹1,314.30/933.80
NSE Code	MAXHEALTH
BSE Code	543220
Bloomberg Code	MAXHEALT:IN

Close as on 10th Feb 2026*

Shareholding pattern (%)	Dec'25 (%)
Promoter	23.72
FII	50.55
DII	21.20
Public & Others	4.52

Financials

(₹ crs)

Particulars	FY23	FY24	FY25	FY26E	FY27E	FY28
Revenues	5,904	6,849	8,667	9,853	10,713	12,190
EBITDA	1,598	1,840	2,240	2,463	2,839	3,230
EBITDA Margin (%)	27%	27%	26%	25%	27%	27%
Net Profit	1,085	1,278	1,335	1,453	1,654	1,919
Net Profit margin %	18%	19%	15%	15%	15%	16%
EPS (`)	11	13	14	15	17	20
RoE (%)	13%	14%	13%	11%	11%	12%
RoCE (%)	14%	14%	15%	12%	12%	13%
P/E (x)	90	77	67	68	59	51
EV/EBITDA (x)	60	51	38	40	35	30

Source: Company, Way2Wealth Research

Relative Performance

Returns (%)	1 Yr	3Yr	5 Yr
MAXHEALTH	3%	132%	432%
Sensex	10%	39%	64%
Nifty	13%	45%	72%

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W2W Lighthouse - A Quick Perspective

Concall Highlights:

- Brownfield expansion remains on track at Mohali, Nanavati, and Max Saket (Q4FY26 -Feb-26), although greenfield timelines have been pushed back, with Gurgaon (501 beds) now expected by end-H1FY27 vs. Q4FY26 earlier. Management expects stable margins at brownfield hospitals over the next few years, aided by operating leverage and cost synergies.
- Revenue and EBITDA were impacted by weak seasonality of vector-borne diseases, temporary disruption in cashless insurance services, and discontinuation of certain patented chemotherapy drugs. The top five insurance companies account for ~25% of the overall payor mix, indicating moderate concentration risk.
- Institutional patient bed share increased to 35.8% (vs 30.1% YoY), primarily due to a temporary disruption in cashless services, which led to a higher mix of institutional patients during the quarter. Cashless arrangements were reinstated toward the end of Q3, along with a marginal rate hike and the implementation of an auto-renewal mechanism at pre-agreed rates, improving revenue visibility. Additionally, benefits from CGHS price revisions (~₹200crs revenue) are expected to start flowing in from April 2026 (Q1FY27).

Valuation & Outlook

- Max Healthcare has outlined an ambitious expansion roadmap to add over ~8,900 beds, with approximately ~4,600 beds expected to be commissioned over the next 3–4 years. This expansion will be executed through a mix of brownfield, greenfield, and asset-light projects.
- From the current bed capacity of 5,267 beds in Q3FY26, Max Healthcare plans to add 668 beds in FY26E, 501 beds in FY27E, and 1,231 beds in FY28E. Beyond FY28, there is potential to add another ~4,400 beds, subject to finalisation of specific plans. The capital outlay for this expansion is projected at ₹2,000crs in FY26, ₹2,317crs in FY27, and ₹1,600crs in FY28, with additional investments to be determined for the post-FY28 phase. Key projects under this expansion include facilities in Delhi (Max Smart), Gurugram (Sector 53), Mohali, Lucknow, Thane, Nagpur, Zirapur – Mohali, Vaishali and Dwarka.
- We expect margins to gradually improve as the company executes a balanced expansion strategy across brownfield, greenfield, and asset-light projects, with brownfield additions enabling faster ramp-up and superior margin accretion. Near-term margins remain impacted by pre-commissioning expenses and payor mix; however, management commentary indicates that cashless arrangements have been reinstated, alongside marginal rate hikes and an auto-renewal mechanism, which improve revenue visibility. For FY25–28E, we project Revenue/EBITDA/PAT CAGR of 12%/13%/13%, supported by rising EBITDA per operational bed and operating leverage from new capacity ramp-up. Overall margins are expected to remain broadly stable at ~27%, with an upward bias over the medium term. At the current market price, the stock trades at 51x FY27E EPS of ₹20 and 30x FY27E EV/EBITDA. Accordingly, we continue to maintain our Hold rating on Max Healthcare, in line with the ~30% upside potential highlighted in our initiating coverage report.

Consolidated Quarterly Performance

(₹ crs)

Particulars	Q3FY26	Q3FY25	YoY %	Q2FY26	QoQ %	9MFY26	9MFY25	YoY %
Gross revenue	**2,608**	**2,381**	**10%**	**2,692**	**-3%**	**7,874**	**6,637**	**19%**
Net revenue	2484	2,281	**9%**	2580	**-4%**	7,524	6,341	**19%**
Direct costs	1004	883	**14%**	1060	**-5%**	3,079	2,499	**23%**
% of sales	40%	39%		41%		41%	39%	
Gross profit	1,480	1,398	**6%**	1,520	**-3%**	4,445	3,842	**16%**
gross profit margins %	60%	61%		59%		59%	61%	
Indirect overheads	832	776	**7%**	826	**1%**	2,489	2,155	**15%**
% of sales	33%	34%		32%		33%	34%	
Operating EBITDA	648	622	**4%**	694	**-7%**	1,955	1,687	**16%**
Operating EBITDA margins %	26%	27%		27%		26%	27%	
Reported EBITDA	**633**	**601**	**5%**	**676**	**-6%**	**1,900**	**1,627**	**17%**
EBITDA margins %	25%	26%	**-3%**	26%	**-3%**	25%	26%	**-2%**
Finance cost/(income)	41	35	**17%**	41	**0%**	116	48	**142%**
Depreciation and amortisation	**123**	**106**	**16%**	**122**	**1%**	**362**	**293**	**24%**
Exceptional Item5	-55	-74	**-26%**	0		-55	-74	**-26%**
Profit before tax after exceptional item	414	386	**7%**	513	**-19%**	1,367	1,212	**13%**
Tax	69	71	**-3%**	-41	**-268%**	124	253	**-51%**
Tax %	**17%**	**18%**		**-8%**		**9%**	**21%**	
Profit after tax	345	315	**10%**	554	**-38%**	1,243	959	**30%**
Net Profit margins %	14%	14%		21%		17%	15%	
EPS - Reported	3.55	3.24	**10%**	5.70	**-38%**	13	10	**30%**

Source: Company, Way2wealth Research

Financials

(₹ crs)

Particulars	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Net revenue	5,218	5,904	6,849	8,667	9853	10713	12190
Direct costs	2,103	2,304	2,675	3,416	4,089	4,285	4,876
% of sales	40%	39%	39%	39%	42%	40%	40%
Gross profit	3,115	3,600	4,174	5,251	5,764	6,428	7,314
gross profit margins %	60%	61%	61%	61%	59%	60%	60%
Indirect overheads	1,725	1,964	2,267	2,932	3301	3589	4084
% of sales	33%	33%	33%	34%	34%	34%	34%
Reported EBITDA	1,340	1,598	1,840	2,240	2,463	2,839	3,230
EBITDA margins %	26%	27%	27%	26%	25%	27%	27%
Finance cost/(income)	112	39	-38	84	154	165	165
Depreciation and amortisation	248	260	284	407	470	581	636
Profit before tax	980	1,299	1,594	1,749	1,840	2,093	2,430
Exceptional				-74			
Profit before tax after exceptional item	980	1,299	1,594	1,675	1,840	2,093	2,430
Tax	143	214	316	340	386	440	510
Profit after tax	837	1,085	1,278	1,335	1,453	1,654	1,919
Net Profit margins %	16%	18%	19%	15%	15%	15%	16%
EPS - Reported	**8.6**	**11.2**	**13.1**	**13.7**	**14.95**	**17.01**	**19.74**

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Disclosure of Interest Statement Max Healthcare Institute Ltd. as on 11th February 2026

Name of the Security	Max Healthcare Institute Ltd.
Name of the analyst	Rupali Singh
Analysts' ownership of any stock related to the information contained Financial Interest Analyst : Analyst's Relative : Yes / No Analyst's Associate/Firm : Yes/No	NIL No No No
Conflict of Interest	No
Receipt of Compensation	No
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