

Q1FY26 Performance

- During Q1FY26, the company delivered revenue of ₹872crs, reflecting growth of 27% YoY and 9% QoQ, supported by double-digit YoY improvement across key operational metrics on the back of higher patient volumes and better realizations. EBITDA came in at ₹193crs, up 7% YoY but down 3% QoQ, with margins at 22%, impacted by the commissioning of new units along with higher employee costs and other expenses. PAT stood at ₹79crs, declining 9% YoY and 23% QoQ, primarily due to increased interest expenses and depreciation.

- The management noted that, despite Q1 being a seasonally softer period, growth was achieved across key operating metrics. Patient footfalls saw a significant increase across all units, with particularly strong momentum in newer facilities such as Thane.

- Inpatient (IP) volumes stood at 57,275, reflecting a growth of 6.2% QoQ and 15.3% YoY.
- Outpatient (OP) volumes were 5,02,492, an increase of 7.2% QoQ and 19.3% YoY.
- Average Revenue per Occupied Bed (ARPOB) was ₹43,011, higher by 3.7% QoQ and 11.8% YoY.
- Average Revenue per Patient (ARPP) stood at ₹1,53,094, up 2.7% QoQ and 9.8% YoY.

Concall key highlights:

- In Q1 FY26, the business reported an EBITDA loss of ₹21crs, primarily due to losses from recently commissioned units. Thane accounted for ₹11crs of the loss, reflecting only one month of revenue, while Nashik and Kurnool reported losses of ₹7crs and ₹3.5crs, respectively. For Q2FY26, management has guided an EBITDA loss in the range of ₹20–22crs, driven by ₹8–10crs from Maharashtra (Thane and Nashik), ₹1–2cr from Kerala, and an additional ₹10–15crs drag expected in September with the commencement of operations in Bangalore. Looking ahead to Q1 FY27, Bangalore is expected to contribute an EBITDA drag of ₹20–30crs; however, losses are projected to neutralize from Q2FY27 onwards, with no major losses anticipated from Q3FY27.
- **Thane** – Launched in Q1FY26; revenue of ₹9crs in July; losses expected to neutralize by Q3FY26.
- **Bangalore** – To be operational in Q2FY26; all regulatory approvals obtained; 50–70 beds to be commissioned initially; total capacity of 800 beds; EBITDA breakeven expected at ~30–40% occupancy.
- **Srikakulam** – Commissioned in Q2FY26 (July); pre-operative expenses and doctor hiring impacted Q1 margins.
- **Kurnool** – Operational; EBITDA positive.
- **Kollam (Kerala)** – Under renovation; EBITDA drag in Q1 FY26; expected to neutralize in Q2 and contribute from Q3FY26.
- **Nashik** – Ramp-up underway; delayed due to insurance and corporate empanelment; revenue of ₹7crs in Q1FY26; losses to neutralize by end of Q2FY26.
- **Ongole & Anantapur** – Oncology units in pipeline; commissioning expected in next couple of quarters.

Important Statistics

Nifty	24,363.30
Sensex	79,857.79
Close*(₹)	711
M.CAP (₹ bn)	₹285.56
52 Week H/L (₹)	₹798/437
NSE Code	KIMS
BSE Code	543308
Bloomberg Code	KIMS:IN

Close* as on 08th Aug 2025

Shareholding pattern (%)	Jun'25
Promoter	34.11
FII	15.54
DII	31.66
Public	11.58
Others	7.11

Financials

(₹ crs)

Particulars	FY23	FY24	FY25	FY26E	FY27E
Revenues	2198	2498	3035	3549	4592
EBITDA	604	640	783	905	1,148
EBITDA Margin(%)	27%	26%	26%	25%	25%
Net Profit	336	310	385	463	610
PAT margin %	15%	12%	13%	13%	13%
EPS (₹)	8.1	7.8	9.4	11.6	15.2
RoE (%)	20%	17%	19%	17%	18%
RoCE (%)	19%	15%	15%	15%	17%
P/E (x)	85	92	67	62	47
EV/EBITDA (x)	14	49	41	36	28

Source: Company, Way2Wealth Research

Relative Performance

Performance	1 Yr	3Yr	5 Yr
KIMS	65%	157%	216%
Nifty 50	13%	59%	174%
Sensex	13%	57%	166%

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11th August 2025

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- Kondapur (Telangana) – Capacity expansion planned; expected volume growth from FY27.
- **Capacity Expansion Pipeline:** Both Bangalore projects are scheduled to commence operations in Q2 FY26, adding 800 incremental beds across all specialities, with a combined estimated capex of ₹530–600crs.
- **Apart from the Bangalore expansion plans, other expansion scheduled for the year includes:**
 - Ongole: Addition of 50 beds for the Cancer Centre (₹40–50crs capex) – Q2FY26
 - Anantapur: Addition of 250 beds for Cancer Centre and Mother & Child specialties (₹90–110crs capex) – Q4FY26
- **Looking ahead to FY27, capacity additions are planned at:**
 - **Kondapur:** 500 beds across all specialities (₹300–350crs capex) – Q1FY27
 - **Rajahmundry (new facility):** 350 beds across all specialities (₹300–350crs capex) – Q4 FY27

Upon completion, these projects will significantly enhance bed capacity and strengthen presence across key regions, positioning the business for sustained growth in the years ahead.

Valuation & Outlook

KIMS Hospitals is undertaking a rapid expansion of its bed capacity, expected to surpass 8,000 beds by FY27E from current levels. This growth spans Telangana, Andhra Pradesh, Maharashtra, and Karnataka, with major upcoming projects in Bengaluru, Kondapur, Rajahmundry, and Anantapur.

The stock is valued at an EV/EBITDA multiple of 28x and a P/E multiple of 47x on FY27E estimates, reflecting the company's strong growth prospects and aggressive expansion strategy. Over FY25–27E, revenue, EBITDA, and PAT are projected to grow at a CAGR of 23%, 21%, and 26%, respectively, with stable margins of 25% for EBITDA and 13% for PAT.

In our [initiation coverage report](#), we had projected an upside potential of over 30% with a target price of ₹761. On 24th July 2025, the stock touched a high of ₹798, surpassing our target. Accordingly, investors with a near-term investment horizon are advised to **book profits** at current levels. However, given the company's robust earnings trajectory and expansion-led growth, there remains potential for further upside in the coming year. Long-term investors are advised to **accumulate on price corrections** to benefit from potential gains in the upcoming quarters.

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Quarterly Performance

(₹ crs)

Quarterly performance	Q1FY26	Q1FY25	YoY %	Q4FY25	QoQ %
Revenue (net)	872	688	27%	797	9%
Costs of Materials Consumed	184	143	29%	167	10%
% of Revenue	21%	21%	2%	21%	1%
Gross Profit	688	546	26%	630	9%
% Margin	79%	79%	0%	79%	0%
Employees exp	151	119	27%	134	13%
% of Revenue	17%	17%	1%	17%	3%
other expenses	344	248	39%	298	16%
Total Expenditure	679	509	33%	599	13%
% of Revenue	78%	74%	5%	75%	4%
EBITDA	193	179	7%	198	-3%
% Margin	22%	26%		25%	
Depreciation	53	39	37%	53	2%
Other Income	7	5	54%	5	58%
EBIT	146	145	1%	150	-2%
Finance Cost	33	18	82%	27	22%
EBT	114	127	-11%	123	-8%
EBT after exceptional	114	127	-11%	134	
PAT (Reported)	79	87	-9%	102	-23%
% Margin	9%	13%	-28%	13%	-29%
EPS - Reported	2.0	2.2	-9%	2.5	-23%

Source: Company, Way2wealth Research

Key metrics	Q1FY26	Q1FY25	YoY %	Q4FY25	QoQ %
Bed Capacity	5,499	3,975	38%	5,179	6%
Operational Beds	4,612	3,503	32%	4,492	3%
Occupied Beds	2,252	1,979	14%	2,157	4%
Occupancy*	48.80%	56.50%	-14%	48.00%	2%
IP volume	57,275	49,674	15%	53,918	6%
OP volume	5,02,492	4,21,367	19%	4,68,797	7%
ARPOB(Rs.)	43,011	38,458	12%	41,469	4%
ARPP(Rs.)	1,53,094	1,39,398	10%	1,49,069	3%
ALOS	3.56	3.62	-2%	3.59	-1%

Source: Company, Way2wealth Research

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Financials

(₹ crs)

Particulars	FY22	FY23	FY24	FY25	FY26E	FY27E
Revenue (net)	1651	2198	2498	3035	3549	4592
		33%	14%			
Total Material Cost	355	481	530	627	745	964
% of Revenue	22%	22%	21%	21%	21%	21%
Gross Profit	1,296	1,717	1,968	2,408	2,804	3,628
% Margin	78%	78%	79%	79%	79%	79%
Employees exp	262	346	422	500	586	781
% of Revenue	16%	16%	17%	16%	17%	17%
other expenses	518	767	905	1,126	1,313	1,699
TOTAL OPER EXPENDITURE	1,135	1,594	1,858	2,252	2,645	3,444
% of Revenue	69%	73%	74%	74%	75%	75%
EBITDA	516	604	640	783	905	1,148
% Margin	31%	27%	26%	26%	25%	25%
Depreciation	73	129	147	177	198	243
Operating Profit	443	475	494	606	707	905
% Margin	27%	22%	20%	20%	20%	20%
Other Income	20	26	13	32	40	40
EBIT	463	501	507	638	747	945
Finance Cost	16	31	47	90	121	121
EBT	447	470	460	547	626	824
PAT (Reported)	343	336	310	385	463	610
% Margin	21%	15%	12%	13%	13%	13%
EPS - Reported	8.6	8.4	7.8	9.6	11.6	15.2
EPS - Adjusted	8.6	8.1	7.8	9.4	11.6	15.2

Source: Company, Way2wealth Research

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Disclosure of Interest Statement Krishna Institute of Medical Sciences Ltd (KIMS) as on 11th August 2025

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