Sector – Healthcare

Max Healthcare Institute Ltd.

18th August 2026 | Close* – ₹1,003.70/- | View – **Hold**

Q1FY27 Performance

- During Q1FY27, the company reported revenue growth of 16% YoY and 12% QoQ to ₹2,982crs, driven by higher occupied bed days. Operating EBITDA stood at ₹704crs, up 15% YoY and 3% QoQ, with EBITDA margin at 24.8% vs. 24.9% in Q1FY26 and 26.8% in Q4FY26. PAT increased 3% YoY to ₹357crs, impacted by higher depreciation and finance costs following the recent commissioning of brownfield capacities at MSSH Mohali, Nanavati Max and Max Smart. The EBITDA margin remained muted due to the ramp-up of these newly commissioned capacities and the Kalinga Hospital acquisition.
- The discontinuation of selected high-value chemotherapy drugs for institutional patients resulted in oncology's share of IPD revenue declining to 22% from 26% in Q1FY26. Despite the oncology headwind, the underlying business remained strong, with revenue excluding oncology growing 20% YoY.
- EBITDA per bed stood at ₹71.2 lakh, up 4% YoY, compared with ₹68.5 lakh in Q1FY26 and ₹73.4 lakh in Q4FY26. Bed occupancy stood at 75%, while occupied bed days increased 10% YoY. Operational bed capacity increased by 630 beds YoY to 5,379 beds as of June 2026, mainly driven by additions at MSSH Mohali, Max Smart, Nanavati-Max, MSSH Dwarka and MSSH S. Bagh.
- ARPOB increased by 5% YoY to ₹81.9k, compared with ₹78.0k in Q1FY26 and ₹77.9k in Q4FY26, indicating healthy improvement in revenue per occupied bed. Inpatient volumes increased 10% YoY to 91,326, while OP consultations increased 12% YoY to 10.5 lakh, reflecting strong patient footfall across the network. ALOS stood at 4.1 days, compared with 4.0 days in Q1FY26.
- **International patients and payer mix:** International patient revenue grew 18% YoY to ₹247crs, contributing around 9% of hospital revenue. Institutional patient bed share declined to 32.3% from 34.1% in Q1FY26, while self-pay share declined to 32.5% from 33.8%. In contrast, insurance and corporate patient share increased to 37.8% from 35.8%, indicating a gradual improvement in the payer mix.
- **Capacity addition:** Operational bed capacity stood at 5,379 beds as of June 2026, including 246 beds at KHL, it added 630 beds over the past 12 months. The increase was mainly driven by capacity additions at MSSH Mohali, Max Smart, Nanavati-Max, MSSH Dwarka and MSSH S. Bagh.
- **Cash flow and debt:** CFO stood at ₹397crs, compared with ₹389crs in Q1FY26 and ₹581crs in Q4FY26. During Q1FY27, ₹386crs was deployed towards the acquisition of KHL and YPPL, while ₹337crs was invested in ongoing expansion projects. Consolidation of KHL and YPPL added ₹153crs to net debt, including the put-option liability. Net debt increased to ₹2,384crs as of June 2026, from ₹1,908crs as of March 2026. Pre-tax ROCE stood at 29.2%, excluding units less than four years old and capital work-in-progress.
- **Max Lab:** Revenue increased by 20% YoY and 11% QoQ to ₹58crs. The business is now present across 60+ cities and offers a comprehensive portfolio of 2,700+ tests, providing increasing scale and geographic reach.
- **Max@Home:** Revenue grew 32% YoY and 7% QoQ to ₹78crs. Growth was driven by strong performance across physiotherapy and rehabilitation, nursing care and attendant services, along with sample collection and medicine delivery.

Important Statistics

Nifty	24,288
Sensex	77,728
Close*(₹)	1,003.70
M.CAP (₹ bn)	~₹976.87
52 Week H/L (₹)	₹1,275/903
NSE Code	MAXHEALTH
BSE Code	543220
Bloomberg Code	MAXHEALT:IN

Close as on 17th August 2026*

Shareholding Pattern	Dec-25	Mar-26	Jun-26
Promoter	23.70%	23.70%	23.70%
FII	50.60%	45.40%	41.80%
DII	21.20%	26.30%	30.00%
Public	4.50%	4.60%	4.60%

Financials

(₹ crs)

Particulars	FY23	FY24	FY25	FY26	FY27E	FY28
Revenues	5,904	6,849	8,667	10,065	10,529	12,509
EBITDA	1,598	1,840	2,240	2,598	2,948	3,502
EBITDA Margin (%)	27%	27%	26%	26%	28%	28%
Net Profit	1,085	1,278	1,335	1,630	1,740	2,134
Net Profit margin %	18%	19%	15%	16%	17%	17%
EPS (₹)	11	13	14	17	18	22
RoE (%)	13%	14%	13%	13%	12%	13%
RoCE (%)	14%	14%	15%	13%	13%	14%
P/E (x)	89	76	66	59	56	45
EV/EBITDA (x)	59	51	38	37	33	28

Source: Company, Way2Wealth Research

Relative Performance

Returns (%)	1 Yr	3Yr	5 Yr
MAXHEALTH	-14%	84%	342%
Sensex	-7%	22%	48%
Nifty	-4%	30%	55%

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W2W Lighthouse - A Quick Perspective

Concall highlights

- **Acquisitions & Expansion**
  - **Kalinga Hospital:** Acquired 58.28% stake for ~₹298crs. The 250 bed hospital contributed ₹19crs revenue and ₹2crs EBITDA in Q1FY27, with 50% occupancy and ₹35,000 ARPOB. The company plans to improve occupancy, consultant base and payer mix.
  - **Yerawada Properties:** Acquired Class A shares, giving 100% voting rights and 50.22% economic interest. The company owns the land for the proposed 450-bed Pune hospital.
  - **Max Smart:** 202 beds of the 400-bed brownfield expansion are operational, with the remaining 198 beds expected in Q2FY27. The operational beds are running at around 80% occupancy.
  - **MSSH Vaishali:** Approved ₹425crs capex for a 202-bed brownfield tower, increasing capacity from 387 to 589 beds.
  - **Medical Education:** The Board has given in-principle approval to enter the medical education business and set up medical colleges following proposed changes in National Medical Commission regulations.
- On the Oncology front, Management expects the oncology business to start normalising from Q3FY27, with the business expected to be fully normalised by Q4FY27. Max was impacted more than peers due to its higher exposure to oncology and CGHS, particularly because of its strong presence in Delhi.
- **New Capacity – Strong Ramp-up**
  - **Max Smart:** 202 of 400 beds operational, with remaining 198 beds expected in Q2FY27. Current occupancy is around 80%. EBITDA contribution is expected to improve over the next 2–3 quarters. Oncology is one of the focus specialties.
  - **Max Nanavati:** Remaining ~50 beds to be operationalised in Q1FY27. Existing Phase-1 beds are at around 80% occupancy, with profitability expected to improve further. Phase 2 expansion has started and will take ~2.5 years.
  - Smart and Nanavati are expected to support EBITDA growth over the next few quarters as capacity ramps up.
  - Kalinga Hospital contributed ₹19crs revenue and ₹2crs EBITDA in Q1FY27, with 50% occupancy and ₹35,000 ARPOB, compared with ₹154crs revenue generated in FY26 before acquisition.
  - **Expansion Pipeline:** The company has a strong expansion pipeline, with 100 beds at Lucknow expected over the next two quarters, 500 beds at Gurgaon Sector 56 through phased commissioning by year-end, and 250 beds at Bhubaneswar within ~12 months. Further additions include 100 beds at Nagpur and 400 beds at Zirakpur/Mohali by FY28, 200 beds at Pitampura and 400 beds at Patparganj by FY29, and 260 beds at Dwarka, 271 beds at Nanavati Phase 2 and 450 beds at Pune by FY30. The Dwarka Oncology Daycare is awaiting its occupancy certificate.
  - The company has also approved ₹425crs capex for a 202-bed brownfield tower at Vaishali, increasing capacity from 387 to 589 beds, with commissioning expected before FY30. In Pune, Max has acquired the SPV for the 450-bed greenfield hospital, while the project has received IOD and is targeted for FY30 commissioning. Shahid Path and Thane, approvals are

progressing, with management expecting around 30–36 months for completion after approvals.

- The company plans to enter the medical education business following proposed changes in National Medical Commission regulations allowing for-profit companies to set up medical colleges. Management estimates an investment of around ₹300crs for a 150-seat medical college, with expected ROCE of 25–30%. The company plans to leverage its existing hospital infrastructure, land, doctors and faculty, with Lucknow likely to be the starting point. The business will be fully owned by Max Healthcare, and management also plans to offer postgraduate courses. It already has an established education ecosystem, training over 12,000 healthcare professionals annually across 180 programmes and having more than 600 DNB students.
- Management reiterated that it remains on track for the previously indicated ₹140crs annual benefit from CGHS revisions.

Valuation & Outlook

We remain positive on Max Healthcare, supported by strong occupancy levels, healthy ramp-up of newly commissioned hospitals and a robust brownfield and greenfield expansion pipeline across Gurgaon, Lucknow, Nanavati, Mohali and Dwarka. We estimate FY26–28E Revenue/EBITDA/PAT CAGR of 11%/16%/14%, driven by higher EBITDA per operational bed and operating leverage from the newly added capacities. Margins are expected to remain broadly stable at around 27–28%. At the current market price, the stock trades at 45x FY28E EPS of ₹22 and 28x FY28E EV/EBITDA. Therefore, **we maintain our Hold rating.**

Consolidated Quarterly Performance

(₹ crs)

Particulars	Q1FY27	Q1FY26	YoY %	Q4FY26	QoQ %
Gross revenue	2,982	2,574	16%	2,664	12%
Net revenue	2835	2460	15%	2541	12%
Direct costs	1179	1015	16%	1045	13%
% of sales	42%	41%		41%	
Gross profit	1656	1,445	15%	1,496	11%
gross profit margins %	58%	59%		59%	
Indirect overheads	951	831	14%	814	17%
% of sales	34%	34%		32%	
Operating EBITDA	704	613	15%	682	3%
Operating EBITDA margins %	25%	25%		27%	
Reported EBITDA	683	591	16%	698	-2%
EBITDA margins %	24%	24%	0%	27%	-12%
Finance cost/(income)	61	34	79%	47	30%
Depreciation and amortisation	150	117	28%	136	10%
Exceptional Item5				0	
Profit before tax after exceptional item	472	440	7%	515	-8%
Tax	115	96	20%	128	-10%
Tax %	24%	22%		25%	
Profit after tax	357	344	4%	387	-8%
Net Profit margins %	13%	14%		15%	
EPS - Reported	3.67	3.54	4%	3.98	-8%

Source: Company, Way2Wealth Research

Financials

(₹ crs)

Particulars	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Net revenue	5,218	5,904	6,849	8,667	10065	10529	12509
Direct costs	2,103	2,304	2,675	3,416	4124	4211	5003
Gross profit	3,115	3,600	4,174	5,251	5941	6317	7505
gross profit margins %	60%	61%	61%	61%	59%	60%	60%
Indirect overheads	1,725	1,964	2,267	2,932	3303	3369	4003
Reported EBITDA	1,340	1,598	1,840	2,240	2598	2948	3502
EBITDA margins %	26%	27%	27%	26%	26%	28%	28%
Finance cost/(income)	112	39	-38	84	163	165	165
Depreciation and amortisation	248	260	284	407	498	581	636
Profit before tax	980	1,299	1,594	1,749	1937	2202	2702
Exceptional	0	0	0	-74	-55	0	0
Profit before tax after exceptional item	980	1,299	1,594	1,675	1882	2202	2702
Tax	143	214	316	340	252	462	567
Profit after tax	837	1,085	1,278	1,335	1630	1740	2134
Net Profit margins %	16%	18%	19%	15%	16%	17%	17%
EPS - Reported	**8.6**	**11.2**	**13.1**	**13.7**	16.8	17.9	22.0

Source: Company, Way2Wealth Research

Disclosure of Interest Statement Max Healthcare Institute Ltd. as on 18th August 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 Yes (8 shares on 9th April 2026) No No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL