

TRANSCRIPT PULSE

Healthcare

June 03, 2026



Apollo Hospitals Enterprise Ltd

BUY

June 03, 2026 | CMP: INR 8,090 | Target Price: INR 9,600

Sector View: Positive

Q4FY26 Conference Call Audio

Actual vs CIE			
INR Bn	Q4FY26A	CIE Estimate	Dev. %
Revenue	66.1	65.4	1.0
EBITDA	10.1	9.9	1.7
EBITDAM %	15.3	15.2	11bps
Adj PAT	5.3	5.1	3.5

Particulars (INR Mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Revenue	66,055	55,922	18.1	64,774	2.0
Materials Consumed	34,020	29,286	16.2	33,824	0.6
Gross Margin (%)	48.5	47.6	87 bps	47.8	72 bps
Employee + Operating Expenses	21,925	18,939	15.8	21,297	2.9
EBITDA	10,110	7,697	31.3	9,653	4.7
EBITDA Margin (%)	15.3	13.8	154 bps	14.9	40 bps
Depreciation	2,244	2,110	6.4	2,192	2.4
EBIT	8,305	6,198	34.0	7,989	4.0
Interest Cost	1,191	1,148	3.7	1,126	5.8
PBT	7,215	5,155	40.0	6,820	5.8
Adj PAT	5,293	3,896	35.9	5,168	2.4
Adj PAT Margin (%)	8.0	7.0	105 bps	8.0	3 bps
Adj. EPS (INR)	36.8	27.1	35.8	35.9	2.4

Source: APHS, Choice Institutional Equities

Key Financials					
INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	217.9	252.3	295.0	343.9	401.6
YoY (%)	14.3	15.8	16.9	16.6	16.8
EBITDA	30.2	37.7	45.2	54.1	64.3
EBITDAM %	13.9	14.9	15.3	15.7	16.0
Adj. PAT	14.5	19.6	24.6	30.6	37.7
EPS	100.5	136.0	171.1	212.8	261.9
ROE %	17.6	20.6	21.3	21.6	21.7
ROCE %	16.8	19.1	20.6	21.8	22.8
PE(x)	82.6	61.5	48.5	39.0	31.7
EV/EBITDA	40.8	32.9	27.4	22.9	19.2
BVPS	571.1	659.3	804.7	985.6	1,208.2

Shareholding Pattern (%)			
	Mar-26	Dec-25	Sep-25
Promoters	28.02	28.02	28.02
FIs	42.62	43.54	44.20
DIs	22.76	21.50	21.12
Public	6.62	6.94	6.66

Relative Performance (%)			
YTD	3Y	2Y	1Y
BSE Healthcare	110.1	34.0	12.4
APHS	87.0	39.7	19.0

Key Conference Call Highlights

Hospital Business

- Hospital business delivered a strong Q4FY26 revenue growth of 16% YoY, **driven by 7% inpatient volume growth, a 5% improvement in case mix and a 4% price hike.**
- Commissioned 4 new hospitals (~855 Census beds);** operationalised 185 beds and remaining 670 beds would be operationalised in the next 12–18 months.
- The management anticipates that **established hospital margin will improve by, at least, 100 basis points in FY27E**, targeting sustainability at around the 25.5%-level seen in Q4FY26.
- The **company expects around 500–600 beds to become operational by mid-FY27**, while Sarjapur and Gurugram hospitals are scheduled for commissioning in the next two quarters.
- New hospitals are projected to have an EBITDA loss of INR 1500 Mn in FY27E.** The new hospital cluster is expected to break even by FY28E.
- Mid-teen revenue growth is guided for FY27E**, aided by ramp-up of new hospitals and continuing investments in clinical programs.
- The company expects all **~1,400 under-construction beds to be fully operationalised by FY28**, with the new hospital cluster targeted to break even at around 50–55% occupancy levels.
- Strong ramp-up potential in key markets, such as Gurugram, Hyderabad and Sarjapur**, supported by established doctor networks and favourable demand conditions.

Diagnostic Business

- Announced the combination of Apollo Cradle and Fertility business with Cloudnine, valued at INR 15,500 Mn at 35x EBITDA**, with APHS receiving cash and a 9.9% equity stake; the transaction is expected to close in Q2FY27, pending CCI approval.
- Plans to deploy proceeds from the Apollo Cradle and Fertility transaction into primary care, diagnostics and specialty care expansion initiatives.
- Plans to aggressively scale up **diagnostics and primary care across metro and non-metro markets**, positioning the segment as a key patient acquisition funnel for the Apollo ecosystem.
- The diagnostics business growth is being supported by **higher lab utilisation, expansion in B2B business** and cross-selling opportunities through the Apollo ecosystem.

Pharmacy Business

- Apollo 24/7 expects sustainable growth of 25–35% in new business without significant marketing spend, driven by omni-channel integration and cross-pollination across pharmacy, diagnostics and hospitals.
- The **management guided for Apollo 24/7 to achieve cash breakeven excluding ESOP cost in Q1FY27** and full reported breakeven by Q3FY27
- The offline pharmacy business is **targeting a steady-state EBITDA margin of 8% to 9%** as it matures and increases the penetration of higher-margin private labels
- Apollo HealthCo is **targeting an annualised revenue run rate of INR 250 Bn by Q4FY27 with 6.5–7% exit EBITDA margin** by FY27E, led by private label growth, digital breakeven and operating leverage benefits.

Artemis Medicare Services Ltd

BUY

June 03, 2026 | CMP: INR 271 | Target Price: INR 325

Sector View: Positive

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Q4FY26 Conference Call Audio

Actual vs CIE Estimates

INR Bn	Q4FY26A	CIE Estimate	Dev. %
Revenue	2.8	2.8	(0.5)
EBITDA	0.5	0.5	9.5
EBITDAM %	18.5	16.8	168 bps
Adj. PAT	0.3	0.3	15.7

Particulars (INR Mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Net Sales	2,792	2,399	16.4	2,724	2.5
Materials consumed	1,628	1,459	11.6	1,661	(2.0)
Gross Margin (%)	41.7	39.2	253 bps	39.0	270 bps
Employee + Operating Expenses	649	581	11.7	617	5.2
EBITDA	516	359	43.7	446	15.8
EBITDA Margin (%)	18.5	15.0	352 bps	16.4	211 bps
Depreciation	128	117	8.6	124	2.5
EBIT	388	242	60.8	321	20.9
Interest Cost	64	78	(18.6)	67	(5.5)
PBT	403	287	40.4	328	22.6
Adj PAT	300	230	30.4	246	21.9
Adj PAT Margin (%)	10.8	9.6	116 bps	9.0	171 bps
Adj EPS (INR)	1.9	1.7	13.4	1.6	21.9

Source: ARTMSL, Choice Institutional Equities

Key Financials

INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	9.4	10.8	13.6	16.8	23.4
YoY (%)	6.6	15.4	25.4	24.2	39.2
EBITDA	1.5	1.9	2.2	2.9	4.1
EBITDAM %	16.2	17.4	16.4	17.3	17.6
Adj PAT	0.8	1.1	1.2	1.6	2.6
EPS	6.0	6.7	7.7	10.3	16.3
ROE %	12.8	12.0	12.2	14.5	19.4
ROCE %	11.9	12.5	13.5	15.6	20.8
PE(x)	40.0	35.9	31.3	23.2	14.7
EV/EBITDA	20.8	20.3	16.9	13.4	9.0
BVPS	60.9	59.0	66.3	76.2	92.1
FCF	625.5	270.0	995.5	-916.5	2,004.0

Shareholding Pattern (%)

	Mar 2026	Dec 2025	Sep 2025
Promoters	58.39	58.38	66.53
FIs	12.19	12.47	0.37
DIs	2.89	2.91	4.27
Public	26.53	26.23	28.83

Relative Performance (%)

YTD	3Y	2Y	1Y
BSE Healthcare	100.9	34.1	12.9
ARTMSL	231.6	48.4	10.5

Key Conference Call Highlights

Operational Updates

- FY26 revenue growth was driven by a **strong performance across cardiology, oncology and orthopaedics**, supported by an improving payor mix and a rising share of high-complexity procedures.
- Q4FY26 revenue growth was led by higher patient volumes in high-margin specialties.
- Daffodils and Cardiac Care units have started generating small profits.**

Expansion pipeline

- Raipur hospital is expected to commence operations in Q1FY27** with 200 beds initially, while all 300 beds are expected to become operational in the next two quarters.
- Additional bed expansion at Gurgaon is under evaluation; the **management is considering other brownfield or greenfield projects for expansion.**
- South Delhi 650-bed hospital expansion, planned to be operational by FY29, will be executed in 2 phases: 450 beds initially and 200 beds later.
- The **first Mauritius hospital has broken even**, while the second Mauritius hospital commenced operations in April 2026.

Capex Plan

- FY27 capex is expected at ~INR 1000 Mn.
- South Delhi Expansion: Estimated capex for the project is INR 5000 Mn**, translating to ~INR 75–80 lakh per bed.

Payor Mix

- The management aims to **maintain the contribution from international patients at ~30–31% of revenues.**
- Middle East patients account for ~30% of international patient revenues.**
- International **patient inflow witnessed a ~15–18% decline** in March due to Middle East geopolitical disruption; however, the impact has largely subsided and the **management has indicated ~90% recovery by May.**
- The company is witnessing a strong patient inflow from Africa and CIS countries and is also **targeting international patients from Canada and Nordic countries.**
- Government business mix is expected to remain broadly stable**, with no strategic focus on increasing its share.

Outlook

- The management is targeting a **significant capacity increase to 2,000 beds by 2029.**
- ARPOB growth of ~7–8%** is expected to sustain, going forward.
- Occupancy is expected to touch ~70% by Q2FY27** for Gurgaon Hospital.
- Raipur is projected to incur losses of ~INR 180–200 Mn in FY27, which could **lower blended EBITDA margin by ~100–150 bps for FY27.**
- The management expects the **Raipur hospital to begin operations with an ARPOB in the range of INR 33,000 to INR 35,000.**
- Revenue growth of 15–17% guided for Gurgaon Hospital** with 20%+ EBITDA Margin.
- The management indicated that **pricing is not being used as a lever to drive growth**, with expansion primarily volume and mix-led.

Fortis Healthcare Ltd

BUY

June 03, 2026 | CMP: INR 929 | Target Price: INR 1,140

Sector View: Positive

Q4FY26 Conference Call Audio

Actual vs CIE Estimates			
INR Bn	Q4FY26A	CIE Estimate	Dev. %
Revenue	23.6	23.4	0.9
EBITDA	5.3	5.2	1.9
EBITDAM %	22.5	22.3	23 bps
Adj. PAT	2.8	2.4	13.2

Particulars (INR Mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Revenue	23,647	20,072	17.8	22,650	4.4
Materials Consumed	5,189	4,630	12.1	5,161	0.5
Gross Margin (%)	78.1	76.9	113 bps	77.2	84 bps
Employee + Operating Expenses	13,135	11,087	18.5	12,432	5.7
EBITDA	5,323	4,355	22.2	5,057	5.3
EBITDA Margin (%)	22.5	21.7	82 bps	22.3	19 bps
Depreciation	1,220	1,022	19.3	1,201	1.5
EBIT	4,104	3,332	23.1	3,855	6.4
Interest Cost	843	676	24.7	857	(1.7)
PBT	3,242	2,366	37.1	2,657	22.0
Adj PAT	2,763	2,265	22.0	2,278	21.3
Adj PAT Margin (%)	11.7	11.3	40 bps	10.1	163 bps
Adj EPS (INR)	3.7	3.0	22.0	3.0	21.3

Source: FORH, Choice Institutional Equities

Key Financials					
INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	77.8	91.3	105.5	124.7	143.2
YoY (%)	12.9	17.3	15.6	18.2	14.8
EBITDA	15.9	20.8	24.8	30.0	34.9
EBITDAM %	20.4	22.8	23.5	24.1	24.4
Adj PAT	8.5	10.6	13.2	17.1	20.7
Adj EPS (INR)	11.2	14.0	17.4	22.6	27.4
ROE %	9.5	10.7	11.8	13.4	14.0
ROCE %	10.8	12.8	14.6	16.5	17.4
PE(x)	94.6	70.3	55.6	43.0	35.5
EV/EBITDA	47.4	36.5	30.6	25.2	21.6

Shareholding Pattern (%)			
	Mar 2026	Dec 2025	Sep 2025
Promoters	31.17	31.17	31.17
FIIIs	25.98	27.84	27.90
DIIIs	31.35	29.33	29.14
Public	11.50	11.65	11.79

Relative Performance (%)			
YTD	3Y	2Y	1Y
BSE Healthcare	103.7	33.9	11.7
FORH	238.7	110.1	35.0

Key Conference Call Highlights

Hospital Business

- **Added nearly 800 beds in FY26** through a mix of brownfield expansion and inorganic acquisitions across key growth clusters.
- **Focus specialties** including oncology, neurosciences, cardiac sciences, gastroenterology, orthopaedics and renal sciences grew 18.9% YoY and **contributed 62% of hospital revenues**.
- The management stated that **new hospitals, such as Manesar and Greater Noida, have started contributing positively to EBITDA** after initial losses, improving the profitability profile of the network.
- International patient revenues saw some temporary moderation in Q4 due to geopolitical and travel-related disruption.
- **Brownfield expansion at FMRI, Noida and Faridabad have demonstrated faster-than-expected ramp-up.** The management indicated strong operating leverage benefits & immediate absorption of incremental capacity due to sustained high occupancy level.

Expansion Status

- **Plans to add around 1,800 beds in the next four years** through brownfield expansion initiatives.
- **The management projects over 400–500 beds to be commissioned in FY27E**, led by the new FMRI tower along with expansion at Noida, Manesar, Amritsar and Kolkata.
- **The Shalimar Bagh expansion has been delayed** due to approval-related issues, leading to some bed addition shifting from FY28 to FY29.
- **Annual CapEx is guided at INR 9000 Mn**, split approximately 60% towards maintenance and the remainder towards growth.
- **The new FMRI tower is expected to be operationalised in a phased manner**; the management is targeting an initial commissioning of ~100 beds in FY27E and retaining flexibility to accelerate addition depending on occupancy ramp-up.

Diagnostics Business

- Agilus **added more than 675 customer touchpoints and over 20 laboratories**, including 10 hospital lab management laboratories in the year.
- **Expanded its diagnostics portfolio with 50+ new tests** across oncology, molecular diagnostics, prenatal care, immunology, infectious diseases, gastroenterology and neuro-oncology.

Outlook

- The **management guided for 15%+ revenue growth** in the hospital business in FY27E.
- **EBITDA margin expansion of ~150 bps is expected in FY27E** for the hospital business, keeping the company on track for its 25% EBITDA margin target by FY28.
- **Diagnostics business is targeting a double-digit revenue growth in FY27E**, with the volume-value split projected to be approximately 70:30
- **Diagnostics business margin is forecast to remain in the 23–24% range** in FY27E.
- **IHH Group CEO has indicated a plan to raise its stake to 50% & potentially inject ~INR 100 Bn in fresh equity**, viewing India as the focus market.

Global Health Ltd

BUY

June 03, 2026 | CMP: INR 1,199 | Target Price: INR 1,460

Sector View: Positive


Q4FY26 Conference Call Audio

Actual vs CIE Estimates			
INR Bn	Q4FY26A	CIE Estimate	Dev.%
Revenue	11.6	11.3	2.4
EBITDA	2.4	2.2	8.7
EBITDAM %	21.0	19.8	123 bps
Adj. PAT	1.4	1.3	8.9

Particulars (INR Mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Revenue	11,590	9,312	24.5	11,210	3.4
Materials consumed	2,465	2,136	15.4	2,557	(3.6)
Gross Margin (%)	78.7	77.1	167 bps	77.2	154 bps
Employee + Operating Expenses	6,688	4,929	35.7	6,481	3.2
EBITDA	2,438	2,247	8.5	2,173	12.2
EBITDA Margin (%)	21.0	24.1	(310 bps)	19.4	165 bps
Depreciation	665	493	35.1	612	8.7
Interest Cost	267	150	77.7	215	24.2
PBT	1,873	1,833	2.2	1,198	56.3
Tax	456	321	42.3	248	84.3
PAT	1,440	1,014	42.0	950	51.5
EPS (INR)	5.4	3.8	41.9	3.5	51.5

Source: MEDANTA, Choice Institutional Equities

Key Financials					
INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	36.9	44.1	50.9	59.4	70.0
YoY (%)	12.7	19.4	15.5	16.6	17.9
EBITDA	8.8	9.2	12.0	14.5	17.4
EBITDAM %	23.8	20.8	23.7	24.4	24.9
Adj PAT	5.2	5.6	7.4	9.1	11.1
Adj EPS	19.3	20.7	27.6	33.8	41.3
ROE %	15.3	14.1	15.8	16.3	16.6
ROCE %	18.4	15.2	17.7	18.6	19.4
PE(x)	69.3	60.0	45.0	36.7	30.1
EV/EBITDA	37.6	36.4	27.7	23.0	19.1
BVPS	126.1	147.4	174.5	207.8	248.6
FCF	11.4	15.5	10.5	13.7	15.5

Shareholding Pattern (%)			
	Mar 2026	Dec 2025	Sep 2025
Promoters	33.01	33.01	33.01
FIIIs	10.15	10.54	11.41
DIIIs	14.76	13.99	12.97
Public	42.09	42.47	42.62

Relative Performance (%)			
YTD	3Y	2Y	1Y
BSE Healthcare	103.1	34.2	10.9
MEDANTA	120.9	(11.3)	(0.1)

Key Conference Call Highlights

Operational Updates

- **Added 623 beds in FY26**, including 382 beds at Noida, 131 beds at Patna and 110 beds at Ranchi
- **Onboarded more than 550 doctors** in FY26
- Average length of stay improved, from 3.17 days in FY25 to 3.04 days in FY26, **highlighting improving operational efficiency and patient throughput**
- **Major insurance and government empanelment for Noida are largely complete**; it is anticipated to accelerate occupancy and revenue growth, going forward
- Noida hospital performed over 1,600 surgeries and 5,000 cath lab procedures, while also **launching advanced therapies, such as CAR-T cell therapy, bone marrow transplant and kidney transplants**
- Strong growth momentum to continue across developing hospitals, particularly Lucknow and Patna, supported by specialty expansion, procedural capacity addition and increasing doctor bandwidth.
- **Noida hospital is expected to witness accelerated ramp-up with commencement** of additional specialties, such as liver transplant, obstetrics and advanced paediatric services, improving case mix and profitability over time.

Expansion Pipeline

- Indore Cancer Unit: **Addition of an 80-bed cancer hospital** under business transfer agreement, announced in April 2026, **to be operationalised in Q2FY27**
- **490 beds to be added in FY27E** at existing hospitals and **2700 beds to be added through 5 greenfield projects** in the next 3 to 4 years
- The management highlighted that Patna is near 70% occupancy and Lucknow around the high 60s, **with added operating theatres likely to support growth**
- South Delhi, Mumbai and Pitampura projects are progressing through various stages of approvals and construction activity

Outlook

- **Capex of INR 8,000-9,000 Mn guided for FY27 and INR 6,000-7,000 Mn in FY28**
- The **newly-launched Noida hospital is anticipated to break even in the second half of FY27**, at present running at approximately 30% occupancy with 382 beds operationalised
- International patient revenue grew 33% YoY in FY26; the **management identified growth opportunities in Africa, Southeast Asia and CIS regions to offset near-term challenges in the Middle East and Bangladesh markets**
- **Mature hospital margin is expected to remain stable** in the 24%–25% range
- MEDANTA remains actively open to inorganic opportunities, including acquisitions, O&M partnerships and bolt-on assets, alongside the ongoing greenfield expansion strategy.

Healthcare Global Enterprises Ltd

June 03, 2026 | CMP: INR 632 | Target Price: INR 800

Sector View: Positive



Q4FY26 Conference Call Audio

Actual vs CIE Estimates

INR Bn	Q4FY26A	CIE Estimate	Dev.%
Revenue	6.5	6.6	(0.9)
EBITDA	1.3	1.2	4.4
EBITDAM %	19.2	18.2	97 bps
RPAT	0.02	0.12	(82.5)

Particulars (INR Mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Revenue	6,523	5,852	11.5	6,331	3.0
Materials Consumed	1,767	1,540	14.7	1,766	0.1
Gross Margin (%)	72.9	73.7	(77) bps	72.1	80 bps
Employee + Operating Expenses	3,505	3,254	10.6	3,469	0.3
EBITDA	1,251	1,057	18.3	1,096	14.1
EBITDA Margin (%)	19.2	18.1	111 bps	17.3	186 bps
Depreciation	628	581	8.2	607	3.6
EBIT	623	477	30.7	489	27.2
Interest Cost	427	442	(3.3)	448	(4.6)
PBT	12	136	(90.8)	-61	(120.6)
Reported PAT	22	74	(70.5)	(94)	NA
Reported PAT Margin (%)	0.3	1.3	(93) bps	(1.5)	NA
EPS (INR)	0.1	0.5	(72.5)	(0.7)	NA

Source: HCG, Choice Institutional Equities

INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	22.2	25.5	29.1	33.2	38.0
YoY (%)	16.3	14.5	14.2	14.4	14.5
EBITDA	3.9	4.7	5.4	6.4	7.5
EBITDAM %	17.4	18.3	18.7	19.2	19.6
Adj PAT	0.4	0.5	1.7	2.3	3.2
Adj EPS (INR)	3.2	3.4	11.2	15.6	21.2
ROE %	4.8	3.9	11.2	13.4	15.5
ROCE %	7.6	8.0	10.9	13.3	15.6
PE(x)	204.6	707.2	58.0	41.9	30.7
EV/EBITDA	27.3	23.5	19.8	16.5	13.7

Shareholding Pattern (%)

	Mar 2026	Dec 2025	Sep 2025
Promoters	64.21	63.77	63.78
FIIIs	2.76	3.22	3.59
DIIIs	18.91	18.30	18.36
Public	14.15	14.71	14.28

Relative Performance (%)

YTD	3Y	2Y	1Y
BSE Healthcare	109.2	33.7	12.1
HCG	109.7	81.6	7.7

Key Conference Call Highlights

Operational Updates

- FY26 growth was **driven by higher volumes, better realisation, operating leverage and cost discipline**
- Launched its North Bangalore facility**, adding a comprehensive oncology center with MR-LINAC technology so as to strengthen its presence in a key Bangalore micro-market
- Successfully completed a rights issue of INR 4,250 Mn** to strengthen its financial foundation, intended to fund capacity expansion, clinical infrastructure upgrades, technology investments and selective organic and inorganic growth opportunities
- Announced the divestment of its fertility business Milann** to Inviga Healthcare Fund so as to sharpen its strategic focus on the core oncology business
- The **Middle East conflict impacted medical value travel across the West and South clusters** in Q4, temporarily affecting international patient inflows and revenue growth
- A majority of growth is expected to be driven by profitable growth initiatives, **including better payer mix, stronger cash generation, higher clinical productivity and improving quality of earnings.**
- The **expansion of daycare centres, outreach centres and digital patient acquisition initiatives** will support faster market penetration and improved patient conversion across existing geographies.
- The company expects **gradual improvement in international patient inflows as Middle East-related disruption normalises**, supported by strengthening international business development efforts and medical value travel initiatives.

Expansion Pipeline

- Additional brownfield expansion of 200+ beds planned in the next 24 months** across Bangalore, Cuttack, Ranchi, Vizag and Bhavnagar with a CapEx of INR 600 Mn
- Plans to add 1,000 beds by FY30**, with 400 from greenfield and 600 from brownfield expansion
- The **Whitefield project is being shifted to a larger alternative location** to accommodate a 120-130 bed facility and better capitalise on the market opportunity in the region
- It has **identified multiple greenfield possibilities** and is evaluating around 10 to 12 cities, including Pune, Surat, Coimbatore, Nellore, Lucknow and Jalandhar
- Plans to double its daycare center network by adding 8-10 new centers** across multiple markets in the next 12 months
- The company remains open to **selective inorganic opportunities** and believes acquisitions could further accelerate growth beyond the guided 15%+ trajectory.

Outlook

- Revenue growth guidance of 15%+** per annum is maintained
- The company **targets EBITDA margin of 23–24%** in the next 3–4 years
- Nearly 75–80% of growth is anticipated to come from existing hospitals** and centres through better utilisation, clinician addition, daycare expansion and improved operating efficiency
- Forecast significant margin improvement opportunities in the West and East clusters**, while the South cluster already operates at EBITDA margin exceeding 25%

Jeena Sikho Lifecare Ltd

BUY

June 03, 2026 | CMP: INR 591 | Target Price: INR 1,000

Sector View: Positive


 Q4FY26 Conference Call Audio

Actual vs CIE Estimates			
INR Bn	Q4FY26A	CIE Estimate	Dev.%
Revenue	2.2	2.5	(12.4)
EBITDA	0.8	1.1	(30.7)
EBITDAM %	36.1	45.7	(955) bps
PAT	0.5	0.8	(40.8)

Particulars (INR Mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Revenue	2,156	1,393	54.8	2,217	(2.8)
Materials Consumed	249	167	49.1	242	2.9
Gross Margin (%)	88.4	88.0	44 bps	89.1	(64 bps)
Operating Expenses	1,127	768	46.8	968	16.5
EBITDA	779	458	70.2	1,007	(22.6)
EBITDA Margin (%)	36.1	32.9	328 bps	45.4	(929 bps)
Depreciation	164	90	81.5	113	45.5
EBIT	615	368	67.4	895	(31.2)
Interest Cost	37	31	20.4	31	20.2
PBT	612	339	80.5	889	(31.2)
PAT	451	253	77.8	666	(32.3)
PAT Margin (%)	20.9	18.2	271 bps	30.0	(913 bps)
EPS (Rs)	3.6	2.0	77.8	5.4	(32.3)

Source: JSLL, Choice Institutional Equities

Key Financials					
INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	4.7	8.0	10.7	14.5	19.1
YoY (%)	44.6	70.8	33.5	35.8	31.5
EBITDA	1.4	3.5	4.7	6.5	8.6
EBITDAM %	30.0	43.7	44.2	44.7	44.9
PAT	0.8	2.2	3.4	4.7	6.3
EPS (INR)	6.4	17.9	27.5	38.1	50.7
ROE %	36.2	61.4	56.3	49.8	43.7
ROCE %	49.2	82.3	75.7	66.5	58.2
PE(x)	91.9	33.1	21.5	15.5	11.7
EV/EBITDA	52.2	21.0	15.3	10.8	7.9

Shareholding Pattern (%)			
	Mar 2026	Dec 2025	Sep 2025
Promoters	63.62	63.62	63.61
FIIIs	6.17	6.31	6.59
DIIIs	0.46	0.11	0.15
Public	29.77	29.97	29.65

Relative Performance (%)			
YTD	3Y	2Y	1Y
BSE Healthcare	92.4	32.7	8.5
JSLL	1,147.4	171.8	42.5

Key Conference Call Highlights

Operational Updates

- The company currently operates 49 NABH-accredited facilities, **with three additional accreditations in the pipeline.**
- Reported profitability was impacted by one-off expenses** of INR 210 Mn. Excluding these items, EBITDA margin would have been around 45%.
- The one-time impact comprised **employee-related provisions of INR 70 Mn, an ECL provision of around INR 50 Mn and Ind AS transition-related adjustments of INR 90 Mn.** Of the total impact, around INR 190 Mn was non-recurring, while INR 20 Mn is expected to be recurring.
- Nine OTC products have been launched** in the last three months.
- The company launched the **Jeena Swadeshi Health Card, a loyalty-cum-referral program** designed to improve customer retention and reduce patient acquisition costs.
- Health insurance contribution increased from 4% to 26% of services revenue**, with the management actively engaging private insurers to drive future growth.
- The company has **strategically reduced its exposure to government business** due to payment delays, receivable risks and regulatory uncertainties.

Expansion Pipeline

- The management **plans to operationalise 561 currently non-operational beds** in the next 3–5 months.
- The company has **an additional 445 beds under development.**
- Over the longer term, management **aims to scale the network to 7,000–10,000 beds in 3–5 years.**
- New hospitals are planned across key markets including **Lucknow, Ahmedabad, Patna, Kolkata and Mumbai.**
- Two ultra-luxury wellness centers are being developed in Panchkula and Manali**, which will be made operational by July 2026.
- The management is also **developing new male and female wellness programs and plans to launch pregnancy-focussed products** aimed at improving birth outcomes.

Outlook

- Revenue is targeted to reach approximately INR 30,000 Mn** in the next 3–5 years.
- PAT is projected to grow 4–5x** from current levels in the next 3–5 years.
- The long-term business mix is expected to evolve toward an equal contribution from services and products**, with both segments generating comparable EBITDA margin.

Jupiter Life Line Hospitals Ltd

BUY

June 03, 2026 | CMP: INR 1,315 | Target Price: INR 1,645

Sector View: Positive

Q4FY26 Conference Call Audio

Actual vs CIE Estimates			
INR Bn	Q4FY26A	CIE Estimate	Dev.%
Revenue	3.9	4.0	(3.8)
EBITDA	0.9	1.0	(9.0)
EBITDAM %	23.0	24.3	(133) bps
Adj. PAT	0.5	0.5	(6.7)

Particulars (INR Mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Revenue	3,878	3,267	18.7	3,654	6.2
Materials consumed	737	612	20.6	690	6.8
Gross Margin (%)	81.0	81.3	(30) bps	81.1	(12) bps
Employee + Operating Expenses	1,333	1,061	25.6	1,262	5.7
EBITDA	892	783	13.9	834	6.9
EBITDA Margin (%)	23.0	23.9	(96) bps	22.8	16 bps
Depreciation	233	176	32.0	217	7.2
EBIT	659	606	8.7	617	6.8
Interest Cost	90	56	61.7	75	19.3
PBT	660	621	6.4	633	4.3
Adj PAT	491	448	9.7	473	3.7
Adj PAT Margin (%)	12.7	13.7	(104) bps	13.0	(30) bps
Adj EPS (INR)	7.5	6.8	9.7	7.2	3.7

Source: JLHL, Choice Institutional Equities

Key Financials					
INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	13.0	15.0	20.6	25.2	29.7
YoY (%)	21.3	15.2	37.3	22.3	17.8
EBITDA	3.0	3.4	4.6	5.8	6.7
EBITDAM %	23.0	22.9	22.3	23.1	22.7
Adj PAT	1.9	2.0	2.7	3.6	4.2
Adj EPS	29.5	30.2	41.9	55.3	64.3
ROE %	15.3	13.6	16.4	18.2	17.7
ROCE %	17.0	13.7	15.7	18.3	18.0
PE(x)	45.1	44.1	31.8	24.1	20.7
EV/EBITDA	29.9	26.8	19.9	15.3	13.2
BVPS	206.8	235.5	276.4	330.7	393.9

Shareholding Pattern (%)			
	Mar 2026	Dec 2025	Sep 2025
Promoters	40.91	40.91	40.91
FIs	8.48	8.48	9.06
DIs	17.01	17.44	16.97
Public	33.60	33.17	33.08

Relative Performance (%)			
YTD	2Y	1Y	6M
BSE Healthcare	34.2	10.9	5.7
JLHL	6.5	(4.9)	(9.0)

Key Conference Call Highlights

Operational Updates

- Operationalised the Dombivli hospital in February 2026, ahead of the originally scheduled Q1FY27 timeline, with early traction and encouraging patient response
- The management indicated that **accreditation processes and insurance empanelment for the Dombivli hospital are under way**, which should aid ramp up in the next few quarters.
- Existing hospitals continued to perform steadily**, with Thane operating at ~75% occupancy, Pune at ~65% and Indore at 45–50% occupancy in FY26.
- ARPOB growth in FY26 was driven** by improving case mix, maturity in the Indore facility and renewal of insurance contracts after nearly two years, leading to better pricing
- EBITDA in FY26 was impacted by the initial ramp-up losses from the Dombivli hospital, while depreciation and finance cost also increased due to ongoing capex and commercialisation of new assets
- The company is **not materially reliant on international medical tourism**; the business primarily caters to local residential catchments and domestic patients
- 25% of the BKC project land payment was completed in FY26 and the remaining payment expected in FY27E.

Expansion Pipeline

- Targeting a large post-IPO **expansion pipeline of ~1,700 additional beds at an average cost of ~INR 1.5 Cr per bed**, including projects at Dombivli, Pune South, Mira-Bhayandar and BKC.
- Further bed addition at the Indore facility would likely be initiated once occupancy crosses the ~60% threshold
- The Pune South hospital project remains on schedule, with the **management indicating expected commissioning around the end of CY2028**
- With BKC in pipeline, total expansion cycle ~1,700 new beds, taking long-term capacity to nearly 3,000 beds.**
- BKC Project:** The company has paid 25% of the land cost in accordance with the tender conditions; remainder to be paid in FY27. Project is still in regulatory clearance / pre-possession formalities with MMRDA; detailed capex numbers deferred until scope is finalised.
- Indore EBITDA/revenue ramp described as driven mainly by **absorption of new beds added last year**
- Expansion to be funded by internal accruals over ~4–5 years + debt, with a self-imposed ceiling of <3x EBITDA

Outlook

- The company **continues to follow an asset-heavy expansion strategy by planned choice**, focusing on owning and building large-format hospitals in key micro-markets
- Dombivli hospital is anticipated to break even EBITDA within two years of operations**
- Growth drivers** would vary by hospital; Thane is driven largely by inflation-linked pricing growth, Pune, by higher occupancy as well as pricing growth and Indore, by occupancy ramp-up, improving case mix and pricing growth.

Max Healthcare Institute Ltd

ADD

June 03, 2026 | CMP: INR 949 | Target Price: INR 1,160

Sector View: Positive



Q4FY26 Conference Call Audio

Actual vs CIE Estimates

INR Bn	Q4FY26A	CIE Estimate	Dev. %
Revenue	25.4	26.5	(4.4)
EBITDA	6.8	6.8	(1.2)
EBITDAM %	26.7	25.8	88 bps
Adj. PAT	3.7	4.1	(9.6)

Particulars (INR Mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Net Sales	25,355	23,020	10.1	24,680	2.7
Materials consumed	6,100	5,720	6.6	6,080	0.3
Gross Profit	19,255	17,300	11.3	18,600	3.5
Gross Margin (%)	75.9	75.2	79 bps	75.4	58 bps
Employee + Operating Expenses	12,490	11,230	20.8	12,280	2.0
EBITDA	6,765	6,070	11.4	6,320	7.0
EBITDA Margin (%)	26.7	26.4	31 bps	25.6	107 bps
Depreciation	1,360	1,140	19.3	1,230	10.6
EBIT	5,405	4,930	9.6	5,090	6.2
Interest Cost	470	360	30.6	410	14.6
Exceptional Items	160	(190)	NA	(700)	NA
PBT	5,150	4,620	11.5	4,140	24.4
APAT	3,750	3,904	(4.0)	4,033	(7.0)
APAT Margin (%)	14.8	17.0	(217) bps	16.3	(155) bps
Adj. EPS (Rs)	3.9	4.0	-4.1	4.1	-7.1

Source: MAXHEALT, Choice Institutional Equities

Key Financials

INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	86.2	100.3	129.6	160.7	190.2
YoY (%)	25.9	16.3	29.2	24.0	18.4
EBITDA	22.7	26.0	35.0	44.8	53.3
EBITDAM %	26.4	25.9	27.0	27.9	28.0
Adj. PAT	14.6	17.1	21.4	28.1	33.7
Adj EPS (INR)	15.0	17.6	22.0	28.9	34.7
ROE %	14.2	15.2	16.8	18.4	18.3
ROCE %	15.7	15.4	18.8	21.0	21.5
PE(x)	75.7	62.1	47.3	36.0	30.0
EV/EBITDA	45.5	40.0	29.7	23.1	19.4

Shareholding Pattern (%)

	Mar 2026	Dec 2025	Sep 2025
Promoters	23.71	23.72	23.74
FIIIs	45.39	50.55	51.80
DIIIs	26.32	21.20	20.03
Public	4.58	4.52	4.43

Relative Performance (%)

YTD	3Y	2Y	1Y
BSE Healthcare	110.1	34.0	12.4
MAXHEALT	100.3	30.6	(4.4)

Key Conference Call Highlights

Operational Highlights

- Initiated phased commissioning of more than 20% additional brownfield capacity across Mohali, Mumbai and Delhi, with the balance beds expected to become operational in the next two to three months
- Network occupancy remained above 75% despite the addition of new beds, reflecting a strong demand across key hospitals and continued traction in newly-commissioned facilities
- Oncology revenue contribution declined to 21% in Q4FY26 due to the discontinuation of select high-value chemotherapy drugs for institutional patients
- Doctor cost increased across the network due to simultaneous capacity addition and clinician hiring in multiple hospitals.
- Newly-added brownfield capacities are already contributing positively to EBITDA, with management expecting stronger operating leverage over the next few quarters as occupancy ramps up further across phased bed addition.
- The management highlighted a strong traction at newer facilities, such as Noida and Dwarka, with Noida occupancy improving to ~64–65% and Dwarka operating at 80–85% occupancy, supporting confidence in brownfield expansion opportunities.

Expansion

- The Board approved INR 1,400 Cr investment for a new 700-bed greenfield hospital at Shaheed Path, Lucknow, which is projected to be developed in the next three years
- Targeting commissioning of its 500-bed Gurgaon greenfield hospital by year-end, while expanding the existing Lucknow facility, from 426 beds to 570 beds, in the next two quarters.
- Additional projects in the pipeline include 100 beds at Nagpur and 400 beds at Mohali (both, by FY28), 260 beds at Dwarka and 200 beds at Vaishali within 24 months of approvals and 400 beds at Patparganj targeted by FY29
- Completed the acquisition of a controlling stake in Kalinga Hospital in Bhubaneswar, which offers a 250-bed platform for entry into eastern India and brownfield expansion
- Management plans a cluster-based strategy in Lucknow, targeting multi-location expansion with long-term potential of scaling the region to more than 2,000 beds over the next decade, reflecting strong confidence in the market opportunity.
- Kalinga Hospital acquisition provides an entry platform into eastern India with significant brownfield expansion potential, while management has already initiated plans to revamp clinical programs and infrastructure at the facility.

Guidance and Outlook

- Expecting meaningful operating leverage benefits over FY27 as the recently-commissioned brownfield capacities mature and occupancy levels improve across new towers and facilities.
- CGHS rate revision has already started flowing through. The management is estimating a net annualised benefit of INR 140 Cr, while an additional INR 30–40 Cr benefit from super-specialty rate is yet to be realised
- The new Gurgaon greenfield project is anticipated to break even in FY28E
- The management expects the oncology revenue share to stabilise around 21–22% on a permanent basis, as the discontinued chemotherapy drugs will not be reinstated

Narayana Hrudayalaya Ltd

June 03, 2026 | CMP: INR 1,934 | Target Price: INR 2,500

Sector View: Positive



Q4FY26 Conference Call Audio

Actual vs CIE Estimates			
INR Bn	Q4FY26A	CIE Estimate	Dev.%
Revenue	25.9	22.8	13.8
EBITDA	5.1	4.0	27.1
EBITDAM %	19.7	17.6	206 bps
Adj. PAT	2.3	2.0	13.2

Particulars (INR Mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Revenue	25,938	14,754	75.8	21,512	20.6
Materials Consumed	5,066	3,053	65.9	3,815	32.8
Gross Margin (%)	80.5	79.3	116 bps	82.3	(180) bps
Employee + Operating Expenses	15,772	8,124	94.1	14,025	12.5
EBITDA	5,100	3,577	42.6	3,672	38.9
EBITDA Margin (%)	19.7	24.2	(458) bps	17.1	259 bps
Depreciation	1,538	825	86.4	1,223	25.8
EBIT	3,562	2,752	29.4	2,450	45.4
Interest Cost	913	407	124.4	650	40.4
PBT	2,942	2,614	12.5	2,032	44.8
Adj PAT	2,279	2,027	12.5	1,714	33.0
Adj PAT Margin (%)	8.8	13.7	(495) bps	8.0	82 bps
Adj EPS (INR)	11.2	9.9	12.5	8.4	33.0

Source: NARH, Choice Institutional Equities

Key Financials					
INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	54.8	79.0	104.7	123.9	143.0
YoY (%)	12.1	44.0	32.7	18.3	15.4
EBITDA	12.8	16.2	22.0	27.1	31.9
EBITDAM %	23.3	20.5	21.0	21.9	22.3
Adj PAT	8.0	8.5	12.3	16.1	19.7
EPS (INR)	39.0	41.7	60.4	79.0	96.4
ROE	21.8	17.9	21.7	22.4	21.7
ROCE	17.1	12.4	16.4	18.3	19.1
PE(x)	49.0	47.7	31.3	24.0	19.6
EV/EBITDA	31.7	26.2	19.2	15.4	13.0

Shareholding Pattern (%)			
	Mar 2026	Dec 2025	Sep 2025
Promoters	63.27	63.27	63.85
FIs	9.98	11.10	10.49
DIs	9.14	7.91	7.76
Public	17.60	17.71	17.91

Relative Performance (%)			
YTD	3Y	2Y	1Y
BSE Healthcare	101.5	33.8	11.1
NARH	124.2	51.0	6.4

Key Conference Call Highlights

India Business

- India hospital margin continued to improve, driven by higher realisation, payor mix optimisation, infrastructure transformation initiatives and increasing contribution from complex procedures.
- The management indicated that **Bengaluru remains the flagship quaternary care hub**, while the upcoming Rajarhat project is expected to significantly strengthen Kolkata's advanced care capabilities.
- The clinics business continued to operate at a similar cash burn level as the company aggressively expands its network, **with each clinic typically taking around 18 months to break even**.
- The company **plans to double the number of clinics in Bengaluru** and expand the clinic network into Kolkata in FY27E.

Cayman Business

- The Cayman hospital business continued to deliver a strong revenue growth, supported by the integrated care model and synergies between insurance and hospital operations.
- The **Cayman insurance business scaled up much faster than anticipated**, achieving an annualised premium revenue run-rate of nearly USD 60 Mn within a short period.
- The management **projects Cayman insurance losses to moderate significantly in the next three quarters** aided by premium price hike and exit from unprofitable accounts.
- International patient inflow from neighbouring Caribbean markets are gradually gaining traction** and are expected to become a larger growth driver over time.

UK Business

- The key focus areas in the UK are **increasing the share of higher-paying private and self-pay patients** and reducing operational cost through technology integration.
- The UK acquisition involved a GBP-150 Mn, seven-year loan taken and serviced locally in GBP, **which eliminates currency risk**.
- The acquisition caused a 500 bps EBITDA margin dilution** at the consolidated level, of which approximately 200 bps are a one-time acquisition cost that will not repeat, **resulting in an effective normalised dilution of around 300 bps**.

Expansion Plans

- The company outlined a **total proposed CapEx pipeline of nearly INR 30 Bn**, with annual spending expected to scale up materially in FY28 and FY29.
- All four projects — Rajarhat, HSR, Raipur and Bengaluru — **are expected to be commissioned by FY28E**.
- Greenfield project execution in FY26 was affected** by election-related issues, labour shortages and delays in regulatory approvals.

Outlook

- The management stated that **clinics are becoming an important feeder channel for hospitals** by helping NH access newer patient segments and drive referrals for advanced therapies.
- The management **expects healthy ARPOB growth to continue**, supported by efficiency gains, with year-on-year **price increases, typically in the low to mid-single digit range**.
- India hospital margin is expected to remain resilient**, although upcoming losses from new facilities could partly offset margin gains.

Park Medi World Ltd

BUY

June 03, 2026 | CMP: INR 283 | Target Price: INR 350

Sector View: Positive

Q4FY26 Conference Call Audio

Actual vs CIE Estimates			
INR Bn	Q4FY26A	CIE Estimate	Dev.%
Revenue	4.6	4.6	1.0
EBITDA	1.3	1.2	8.8
EBITDAM %	27.7	25.7	199 bps
PAT	0.7	0.7	(2.9)

Particulars (INR Mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Revenue	4,604	3,539	30.1	4,100	12.3
Materials consumed	796	628	26.9	757	5.2
Gross Margin (%)	82.7	82.3	44 bps	81.5	116 bps
Employee + Operating Expenses	2,534	2,027	25.0	2,349	7.9
EBITDA	1,274	884	44.0	994	28.1
EBITDA Margin (%)	27.7	25.0	268 bps	24.2	342 bps
Depreciation	175	155	12.8	153	14.4
EBIT	1,099	729	50.7	841	30.6
Interest Cost	140	156	(10.7)	149	(6.5)
PBT	1,034	658	57.0	783	32.1
PAT	709	448	58.1	508	39.6
PAT Margin (%)	15.4	12.7	272 bps	12.4	301 bps
EPS (INR)	1.6	1.2	40.7	1.2	39.6

Source: PARKHOSP, Choice Institutional Equities

Key Financials					
INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	13.9	16.8	23.0	30.9	39.4
YoY (%)	13.2	20.5	36.7	34.5	27.8
EBITDA	3.7	4.4	6.1	8.2	10.4
EBITDAM %	26.6	26.5	26.5	26.5	26.5
PAT	2.0	2.6	3.9	5.3	7.0
EPS	5.2	6.0	8.9	12.3	16.1
ROE %	21.2	16.8	17.4	19.9	21.2
ROCE %	19.8	19.5	20.5	23.8	25.4
PE(x)	NA	48.1	32.3	23.3	17.8
EV/EBITDA	NA	27.5	20.0	14.7	11.2
BVPS	27.4	46.8	55.7	68.1	84.2

Shareholding Pattern (%)			
	Mar 2026		Dec 2025
Promoters		82.89	82.89
FIs		0.86	1.28
DIs		8.95	8.58
Public		7.28	7.26

Relative Performance (%)			
YTD	4M	2M	1M
BSE Healthcare	6.0	11.0	8.8
PARKHOSP	72.2	44.2	24.3

Key Conference Call Highlights

Operational Updates

- **FY26 marked the strongest year in the company's history** across every key operating and financial metric, with record revenue, profitability and occupancy level.
- The company **undertook its largest-ever single-year capacity addition of 610 beds** through the commissioning of the 250-bed Bhatinda facility and 360-bed Agra acquisition.
- **FY26 census bed capacity stood at 2,851 beds**, while the total capacity has now reached 3,960 beds after Panchkula commissioning.
- Around **56.9% of revenues are now contributed by high-end specialties**.
- Management highlighted that greenfield hospitals typically turn EBITDA-positive within the first year, while brownfield acquisitions become PAT-positive from the first month itself.

Expansion Pipeline and Capex

- **The company aims to add ~1,500 beds by March 2028, taking the total capacity to ~5,460 beds.**
- Panchkula was developed as a 350-bed greenfield project at a capex of ~INR 125 crore, implying an **efficient cost of ~INR 35 lakh per bed.**
- **FY27 capex guidance stands at ~INR 550 Mn, while FY28 capex is expected at ~INR 2500 Mn.**
- The company is significantly **strengthening its oncology footprint, with the Ambala facility being expanded by 200 beds primarily dedicated towards oncology** and advanced cancer care services.
- The current focus remains on consolidating presence across North India before expanding into South, East and West India.

Acquisition Strategy

- Of the 16 existing hospitals, **10 were acquired while the remainder were developed through greenfield expansion.**
- Management reiterated that **acquisition evaluation is based on strategic location, regional strength, existing healthcare infrastructure gaps**, expansion headroom and availability of distressed assets at deep discounts.

Outlook

- Long-term management aspiration is to **scale up the network to 10,000 beds by FY33.**
- The company **continues to maintain a non-hub-and-spoke operating structure**, focusing instead on regional cluster synergies with hospitals located within 40–50 km of each other.
- Management **expects government receivable days to reduce from ~3 months at present to below 100 days** over the next year.
- Recent **CGHS tariff revisions are expected to provide a 7–7.5% revenue benefit**, with the full impact likely to reflect post Q1FY27.
- The management indicated that the **long-term payor mix is expected to stabilise at nearly 75% government share, while the remainder would comprise insurance and self-pay patients.**

Rainbow Childrens Medicare Ltd

BUY

June 03, 2026 | CMP: INR 1,341 | Target Price: INR 1,650

Sector View: Positive



Q4FY26 Conference Call Audio

Actual vs CIE Estimates

INR Bn	Q4FY26A	CIE Estimate	Dev. %
Revenue	4.6	4.5	2.2
EBITDA	1.4	1.4	1.3
EBITDAM %	31.5	31.7	(27) Bps
Adj. PAT	0.8	0.7	11.0

Particulars (INR Mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Revenue	4,599	3,701	24.3	4,454	3.2
Materials Consumed	570	470	21.1	603	-5.5
Gross Profit	4,029	3,231	24.7	3,851	4.6
Gross Margin (%)	87.6	87.3	32 bps	86.5	115 bps
Employee + Operating Expenses	2,582	2,083	23.9	2,381	8.4
EBITDA	1,447	1,147	26.1	1,470	(1.6)
EBITDA Margin (%)	31.5	31.0	47 bps	33.0	(153) bps
Depreciation	409	342	19.8	396	3.4
EBIT	1,088	951	14.4	1,179	(7.7)
Interest Cost	205	181	13.1	202	1.5
PBT	883	770	14.8	977	(9.6)
Adj. PAT	784	563	39.3	725	8.1
Adj. PAT Margin (%)	17.1	15.2	184 bps	16.3	77 bps
Adj. EPS (INR)	7.7	5.5	39.3	7.1	8.1

Source: RAINBOW, Choice Institutional Equities

Key Financials

INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	15.2	17.0	20.1	24.4	29.8
YoY (%)	16.9	12.4	18.2	21.2	21.9
EBITDA	4.9	5.4	6.5	8.0	9.8
EBITDAM %	32.3	32.0	32.5	32.7	33.0
Adj. PAT	2.4	2.8	3.5	4.6	5.8
Adj. EPS (INR)	24.0	27.5	34.1	45.1	57.6
ROE %	16.6	17.0	17.7	19.3	20.0
ROCE %	23.9	23.9	24.6	25.7	26.1
PE(x)	56.6	49.5	39.8	30.0	23.5
EV/EBITDA	29.6	26.9	22.3	18.3	14.8

Shareholding Pattern (%)

	Mar 2026	Dec 2025	Sep 2025
Promoters	49.84	49.84	49.85
FIs	17.24	19.24	21.85
DIs	21.12	19.49	17.46
Public	11.80	11.44	10.82

Relative Performance (%)

YTD	3Y	2Y	1Y
BSE Healthcare	105.0	31.9	11.2
RAINBOW	48.4	7.6	0.1

Key Conference Call Highlights

Operational Updates

- Delivered its highest-ever quarterly revenue in Q4FY26, supported by a healthy growth in outpatient footfalls, inpatient discharges and deliveries across both, mature and newly-commissioned hospitals
- Added nearly 500 beds in FY26, marking the **highest annual capacity-addition** in the company's history
- Newly-added facilities in Bengaluru, including HRBR Layout, Electronic City and Mahadevapura IVF centre, **are witnessing strong patient traction and ramp-up**
- The **acquired hospitals at Warangal and Guwahati have integrated seamlessly** and continue to scale up well, operationally

Expansion Pipeline

- The company has approximately 900 beds in various stages of **execution**, including projects in Coimbatore, Gurugram, Pune, Bengaluru and Indore, which are **expected to be completed in two and a half years**.
- A 130-bed regional hub hospital in **Coimbatore is under construction and is anticipated to commence operations in H2FY28**
- In Gurugram, a 125-bed facility in **Sector 56 is being fast-tracked for H2FY28**, while the 325-bed super specialty hub in **Sector 44 is targeted for Q1FY29**
- A **150-bed greenfield hub hospital in Pune has received all statutory approvals** and excavation work is under way
- A **lease agreement has been signed for an 80-bed spoke hospital** in Seegehalli, Bengaluru, which will be Rainbow's seventh hospital in the city.
- A **built-to-suit 100-bed hospital in central Indore** is in the permissions stage, alongside an MoU to run paediatric and obstetric services in a partner-owned 200-bed multi-specialty hospital.

CapEx

- The Gurugram projects are expected to account for the largest share of growth CapEx, **with an estimated investment of INR 400–500 Cr in the next few years**
- All other facilities (Coimbatore, Pune, Seegehalli, Indore, etc.) **are estimated at INR 65–70 lakhs per bed**
- The management stated that all ongoing and planned expansions will be **funded through internal accruals**

Guidance

- The management reiterated its aspiration to deliver around **20% revenue growth in FY27E** while sustaining margin
- Aims to improve mature hospital occupancy towards 60%, **with blended group occupancy expected in the 56–58% range**
- Average Revenue Per Patient (ARPP) **is projected to grow at 5–6% annually**
- The management indicated that **geopolitical issues and lower international patient inflow affected FY26 performance**, though domestic growth momentum remains strong
- The company is **actively evaluating acquisition opportunities pan-India**, with a preference for facilities of at least 50 beds, which are scalable to 100 beds and located in attractive micro-markets

Yatharth Hospital & Trauma Care Services Ltd

BUY

June 03, 2026 | CMP: INR 813 | Target Price: INR 1,050

Sector View: Positive


Q4FY26 Conference Call Audio

Actual vs CIE Estimates			
INR Bn	Q4FY26A	CIE Estimate	Dev.%
Revenue	3.4	3.4	1.6
EBITDA	0.8	0.8	(0.9)
EBITDAM %	23.4	24.0	(60) Bps
Adj. PAT	0.5	0.5	(1.1)

Particulars (INR Mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Revenue	3,416	2,330	46.6	3,214	6.3
Materials Consumed	622	444	40.1	617	0.7
Gross Margin (%)	81.8	81.0	84 bps	80.8	101 bps
Employee + Operating Expenses	1,995	1,304	109.5	1,845	17.3
EBITDA	799	583	37.1	751	6.4
EBITDA Margin (%)	23.4	25.0	(161) bps	23.4	1 bps
Depreciation	300	129	133.1	240	25.2
EBIT	499	454	9.9	512	(2.5)
Interest Cost	51	10	421.7	10	398.6
PBT	520	485	7.0	571	(9.0)
PAT	475	387	22.7	454	4.8
PAT Margin (%)	13.9	16.6	(270) Bps	14.1	(20) bps
EPS (INR)	4.9	4.0	22.7	4.7	4.8

Source: YATHARTH, Choice Institutional Equities

Key Financials					
INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	8.9	12.1	16.2	20.9	27.8
YoY (%)	32.1	36.3	33.9	29.4	33.0
EBITDA	2.3	2.9	4.0	5.1	6.9
EBITDAM %	25.4	24.2	24.7	24.3	24.8
Adj PAT	1.3	1.8	2.6	3.5	4.8
EPS (INR)	14.3	18.2	27.3	36.3	49.7
ROE %	8.1	9.8	12.9	14.6	16.7
ROCE %	10.5	10.0	14.1	16.4	19.3
PE(x)	57.2	45.1	30.0	22.6	16.5
EV/EBITDA	33.2	27.1	19.9	15.7	11.5

Shareholding Pattern (%)			
	Mar 2026	Dec 2025	Sep 2025
Promoters	55.80	55.80	61.64
FIs	5.25	6.18	6.51
DIs	12.00	11.02	8.71
Public	26.95	27.01	23.16

Relative Performance (%)			
YTD	2Y	1.5Y	1Y
BSE Healthcare	33.9	9.4	11.7
YATHARTH	93.9	35.3	56.9

Key Conference Call Highlights

Operational Updates

- Secured an exclusive hospital partnership with the newly-operational Noida International Airport, which is expected to enhance international patient access and support its medical value travel strategy.
- New hospitals in New Delhi and Faridabad are ramping up ahead of internal expectations; expected to reach EBITDA-breakeven in H2FY27.
- The Agra hospital acquisition has shown encouraging traction since integration in February 2026, achieving monthly revenue run-rate of around INR 70 Mn along with double-digit EBITDA margin.
- ARPOB improved 5% YoY to INR 33,283 in Q4FY26, supported by a richer specialty mix, increasing contribution from oncology, international patients and premium case mix across newer hospitals.

Expansion Pipeline

- Targeting to reach 5,000 beds in the next three years; potentially earlier; with 70% of these additions projected through acquisitions and 30% through greenfield projects.
- Acquired an under-construction super-speciality hospital in Gurugram for INR 1000 Mn upfront plus INR 1000 Mn additional investment, towards medical infrastructure and fit-outs.
- The upcoming Gurugram hospital is expected to commence operations by April, 2027, and the management expects ARPOB of over INR 50,000 due to premium positioning, international patients and higher private insurance mix.
- The management guided for brownfield expansion capex of nearly INR 75 lakh per bed for Greater Noida and Noida Extension projects.

Outlook

- The management guided for FY27 revenue growth to surpass the 36% growth achieved in FY26, with EBITDA margin anticipated to be at 24–25%.
- ARPOB has been guided to grow at 10%, driven by specialty mix, a growing share of private insurance and international patients, and premium positioning of newer facilities.
- The management aims to reduce government revenue mix to 25% in the next two years.
- The full-year benefit of revised CGHS rates (5% revenue uplift, 3% EBITDA flow-through) will be realised in FY27E, having only partially reflected in Q4FY26.
- The company expects further improvement in working capital efficiency and is targeting reduction in debtor days to nearly 90-95 in FY27E.
- International business remains a key growth lever, with the company actively expanding outreach programs across the Middle East, CIS countries and Africa markets.

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Large Cap*

BUY	The security is expected to generate upside of 15% or more over the next 12 months
ADD	The security is expected to show upside returns from 5% to less than 15% over the next 12 months
REDUCE	The security is expected to show upside or downside returns by 5% to -5% over the next 12 months
SELL	The security is expected to show downside of 5% or more over the next 12 months

Mid & Small Cap*

BUY	The security is expected to generate upside of 20% or more over the next 12 months
ADD	The security is expected to show upside returns from 5% to less than 20% over the next 12 months
REDUCE	The security is expected to show upside or downside returns by 5% to -10% over the next 12 months
SELL	The security is expected to show downside of 10% or more over the next 12 months

Other Ratings

NOT RATED (NR)	The stock has no recommendation from the Analyst
UNDER REVIEW (UR)	The stock is under review by the Analyst and rating may change

Sector View

POSITIVE (P)	Fundamentals of the sector look attractive over the next 12 months
NEUTRAL (N)	Fundamentals of the sector are expected to be in stasis over the next 12 months
CAUTIOUS (C)	Fundamentals of the sector are expected to be challenging over the next 12 months

*Large Cap: More Than INR 20,000 Cr Market Cap
*Mid & Small Cap: Less Than INR 20,000 Cr Market Cap

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