

26th May 2025

Close* – ₹1,177/-

View – Buy

Q4FY25 Performance

- The company reported revenue of ₹2,326crs in Q4FY25, reflecting a 29% YoY and 2% QoQ growth. The performance was driven by an increase in operational beds and a higher contribution from new units, which accounted for 15% of revenue, up from 2% in Q4FY24.
- Operating EBITDA stood at ₹632crs, registering a 26% YoY and 2% QoQ growth. The EBITDA margin was 27.2%, compared to 28.0% in Q4FY24 and 27.3% in Q3 FY25. Excluding Max Dwarka a 303-bed greenfield facility that commenced operations in July 2024 the EBITDA margin was higher at 28.1%.
- PAT up by 21% to ₹376crs from ₹311crs in Q4FY24 and ₹372crs in Q3 FY25.
- EBITDA per bed stood at ₹73.9 lakh, as against ₹76.0 lakh in Q4FY24 and ₹73.0 lakh in Q3 FY25. Excluding Max Dwarka, EBITDA per bed was higher at ₹77.6 lakh.
- Bed occupancy for the quarter was strong at 75%, with Occupied Bed Days (OBDs) rising nearly 30% YoY.
- Average Revenue Per Occupied Bed (ARPOB) for Q4FY25 was ₹77,100, marginally higher than ₹76,800 in Q4 FY24 and ₹75,900 in Q3FY25.
- International Patient Revenue stood at ₹202crs, up 28% YoY from ₹158crs in Q4 FY24 and marginally higher than ₹201crs in Q3 FY25. This contributed approximately 9% of total hospital revenue.
- Operational Bed Capacity increased by 188 beds during the quarter, primarily across Lucknow, Dwarka, and BLK Max Hospitals.
- Max Lab, the company's non-captive pathology vertical, reported revenue of ₹46crs, registering a 19% YoY growth. The service is now available in over 50 cities.
- Max@Home, the homecare services vertical, recorded gross revenue of ₹56crs, marking a 22% YoY and 2% QoQ growth, led by strong traction in physiotherapy & rehabilitation, attendant care, and critical care segments.
- Free cash flow from operations in Q4FY25 stood at ₹422crs, up from ₹412crs in Q4FY24 and ₹303crs in Q3FY25, reflecting improved operating efficiency. During the quarter, the company deployed ₹390crs towards ongoing expansion initiatives and the upgradation of facilities at its new units. Despite continued investments, net debt declined to ₹1,576crs at the end of Q4FY25 from ₹1,608crs in the previous quarter, indicating disciplined capital allocation and strong cash generation.
- During FY25, net revenue of ₹8,667crs, registering a 27% YoY growth, largely driven by an increase in Occupied Bed Days (OBDs). Operating EBITDA up by 22% YoY to ₹2,319crs, with an EBITDA margin of 26.8% (including new units), compared to 27.8% in FY24. PAT before exceptional items stood at ₹1,392crs, reflecting a 9% increase from ₹1,278crs in FY24. Cash generated from operations during the year was ₹1,447crs, while net debt as of March 2025 stood at ₹1,576crs.

Important Statistics

Nifty	24,853
Sensex	81,721
Close* (₹)	1,177
M.CAP (₹ tn)	~₹2
52 Week H/L (₹)	₹1,228/743
NSE Code	MAXHEALTH
BSE Code	543220
Bloomberg Code	MAXHEALT:IN

Close* as on 23rd May 2025

Shareholding pattern (%)	Mar'25
Promoter	23.74
FII	54.74
DII	17.58
Public & Others	03.94

Financials

	(₹ crs)				
Particulars	FY23	FY24	FY25	FY26E	FY27E
Revenues	5,904	6,849	8,667	10,908	11,568
EBITDA	1,598	1,840	2,240	2,727	3,065
EBITDA Margin(%)	27%	27%	26%	25%	27%
Net Profit	1,085	1,278	1,335	1,676	1,848
Net Profit margin %	18%	19%	15%	15%	16%
EPS (₹)	11	13	14	17	19
RoE (%)	13%	14%	12%	13%	13%
RoCE (%)	14%	14%	13%	14%	13%
P/E (x)	104	88	87	67	61
EV/EBITDA (x)	69	59	48	41	36

Source: Company, Way2Wealth Research

Relative Performance

Returns (%)	1 Yr	3Yr	5 Yr
MAXHEALTH	45%	210%	941%
Sensex	8.32%	50.48%	166.33%
Nifty	8.18%	53.23%	174.87%

Rupali Singh

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View – Buy

Hospital-wise Performance Highlights

- Max Lucknow delivered 56% YoY growth in revenue and 102% growth in EBITDA.
- Nagpur reported 23% revenue growth and 83% EBITDA growth in its first year post-acquisition.
- Max Noida has been fully integrated into the network, reporting gross revenue of ₹228crs and operating EBITDA of ₹48crs (21% margin) since its acquisition in early 2024.
- **New Hospitals:** Max Dwarka achieved EBITDA breakeven within 6 months. FY25 performance included ₹171crs in revenue and a loss of ₹29crs with 73% occupancy across 235 beds, while 68 beds are yet to be opened.
- Acquired Units reported a gross revenue of ₹275crs and EBITDA of ₹67crs in Q4 FY25. EBITDA Margin stood at 24.9%, while EBITDA per bed was ₹46.6 lakhs. During FY25, gross revenue of ₹768crs and EBITDA of ₹183crs, with operating margin at 24.2%. ARPOB and EBITDA per bed at such Units stood at ₹38.8k and ₹33.7 Lakhs respectively.

Significant Milestones in FY25 and Expansion Highlights

- **Max Dwarka Launch:** Commissioned the 303-bed Max Super Specialty Hospital in Dwarka, Delhi in July 2024. The facility is equipped with advanced imaging and surgical robotics and is operated under an O&M contract.
- **Jaypee Healthcare Acquisition:**
 - Acquired ~64% stake in Jaypee Healthcare Ltd (JHL) on October 2024.
 - JHL owns and operates hospitals in Noida and Chitta, Uttar Pradesh.
 - Jaypee Hospital, Noida: 500-bed tertiary care facility on an 18-acre campus; accounts for 95% of JHL's revenue and all of its EBITDA.
 - Also owns a 100-bed hospital in Anoopshahr, yet to be commissioned.
 - Acquired the remaining stake, making JHL a wholly-owned subsidiary of Max Healthcare effective November 11, 2024.
- **Zirakpur (Mohali) Hospital:**
 - Executed lease agreement for a built-to-suit hospital initially planned for 250 beds.
 - Board approved expansion to 400 beds.
 - Hospital to be built as per Max Healthcare specifications and expected to be commissioned by 2028.
- **Thane Hospital Agreement:**
 - Board approved an Agreement to Lease with VR Konkan Pvt Ltd for setting up a 500-bed hospital in Thane, Maharashtra.
 - Expected to be commissioned in FY28.
- **New Hospital in Pitampura, Delhi:** The company entered into a Long-term Service Agreement with the Bharat Prakritik Chikitsa Mission to set up a 200-bed hospital in Pitampura, Delhi.
 - The facility will offer comprehensive tertiary care services, including radiation oncology and organ transplantation.
 - Construction is expected to be completed in the next 3 to 4 years.
- **Brownfield Expansion at MSSH, Vaishali:** Max Super Specialty Hospital, Vaishali executed a Sale Deed to acquire a ~one-acre land parcel along with an existing building adjacent to the current premises.
 - This will enable a brownfield expansion of capacity from 387 to 527 beds.
 - The expansion is expected to be completed over the next 30 months.

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- **Scheme of Amalgamation:** Following Board approvals on March 21, 2025, for the merger of wholly owned subsidiaries – Crosslay Remedies Ltd and Jaypee Healthcare Ltd – a joint application was filed with NCLT, Chandigarh on May 7, 2025. The merger, with an appointed date of October 5, 2024, aims to unlock synergies, reduce costs, optimize cash flows, and enhance financial strength.
- Going ahead, the company plans to commence operations at three new brownfield hospitals in Q1FY26, adding approximately 823 beds. These include a 400-bed facility at Max Smart Saket, 268 beds in Phase 1 of the Nanavati expansion, and a 155-bed hospital in Mohali. In Q2FY26, an additional 641 beds are expected to be commissioned, comprising a 501-bed hospital in Gurgaon and a 140-bed expansion in Lucknow.
- In addition to these, the company is working on other capacity expansion initiatives. This includes a 140-bed hospital in Vaishali and a 400-bed facility in Mohali. The 550-bed Vikrant Saket project is currently awaiting forest department clearance, with completion expected by FY28. Meanwhile, 120 beds have already been added at the Max Lucknow facility, with further expansion underway.
- Other key developments include the Oncology block at the Dwarka hospital, which is expected to become operational by Q3FY26. In Nagpur, a 170-bed expansion is in progress, with 12 beds already commissioned; the remaining beds are pending environmental clearance. The Patparganj project continues to remain largely on schedule.

Valuation & Outlook

- Max Healthcare has outlined an ambitious expansion roadmap to add over 7,000 beds, with approximately 3,700 beds expected to be commissioned over the next four years. This expansion will be executed through a mix of brownfield, greenfield, and asset-light projects. In FY24 and FY25, the company added around 3,500 and 1,393 beds, respectively, through a combination of inorganic acquisitions and greenfield developments.
- Looking ahead, Max Healthcare plans to add 1,464 beds in FY26, 299 beds in FY27, and 2,118 beds in FY28. Beyond FY28, there is potential to add another 4,050 beds, subject to finalization of specific plans. The capital outlay for this expansion is projected at ₹2,202crs in FY26, ₹1,854crs in FY27, and ₹915crs 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, and Dwarka. The company is also strategically leveraging its existing land bank to support future capacity additions, underscoring strong long-term growth visibility.
- We anticipate margin improvements as the expansion strategy balances brownfield and greenfield projects. Over FY25-27E, we project a Revenue/EBITDA/PAT CAGR of 16%/17%/18%, with EBITDA per operational bed expected to increase. However, margins are likely to remain stable at ~27%.
- **Given its strong earnings momentum and expansion-led growth, we remain bullish on the company's fundamentals. Accordingly, we maintain our Buy rating on the stock, with a targeted upside potential of 30%, as highlighted in our initiating coverage report.**

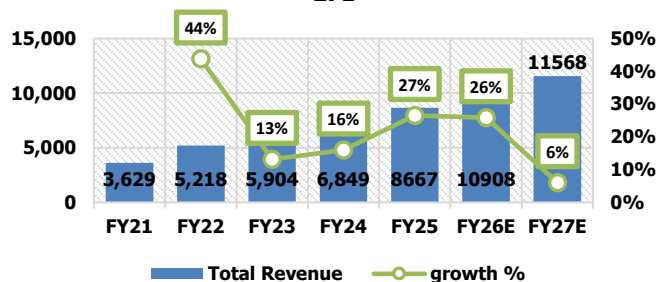
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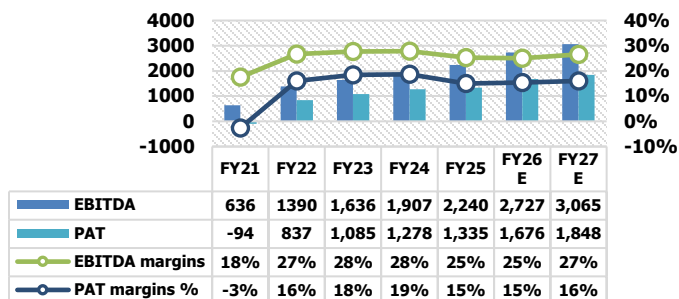
View – Buy

Story in Charts

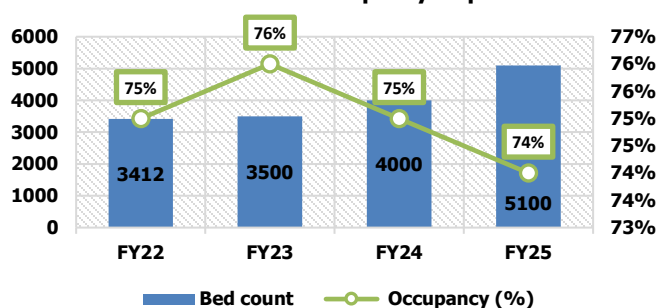
Revenue to grow at 16% CAGR during FY25-27E



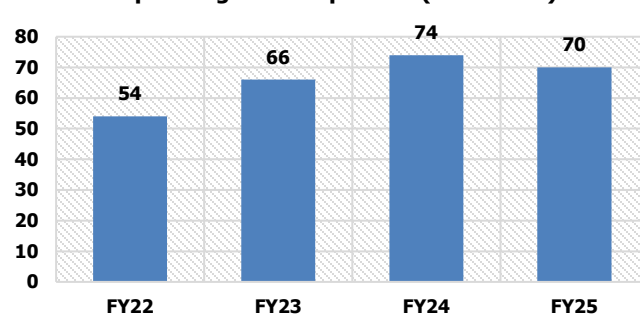
Improvement in margins



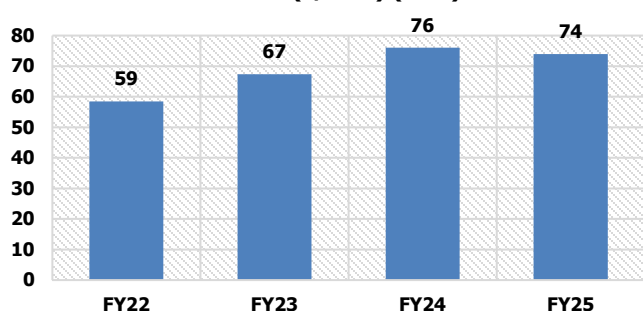
Bed Count and Occupancy Improve



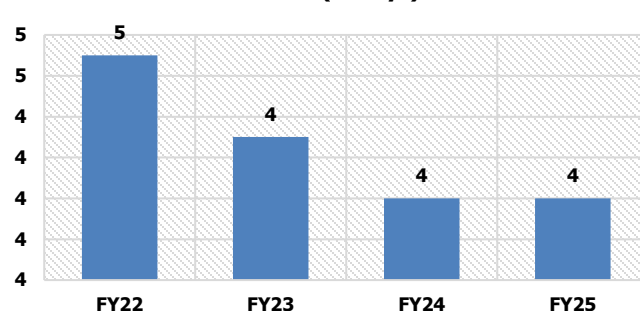
Operating EBITDA per bed (INR Lakhs)



ARPOB (₹/OBD) ('000)



ALOS (in days)



Source: Company, Way2Wealth Research

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Quarterly Performance

(₹ crs)

Particulars	Q4FY25	Q4FY24	YoY %	Q3FY25	QoQ %	FY25	FY24	YoY %
Net revenue	2326	1,800	29%	2,281	2%	8,667	6,849	27%
Direct costs	917	707	30%	883	4%	3,416	2,675	28%
% of sales	39%	39%	0%	39%	2%	39%	39%	1%
Gross profit	1409	1,093	29%	1,398	1%	5,251	4,174	26%
gross profit margins %	61%	61%	0%	61%	-1%	61%	61%	-1%
Indirect overheads	777	590	32%	776	0%	2,932	2,267	29%
% of sales	33%	33%	2%	34%	-2%	34%	33%	2%
Operating EBITDA	632	503	26%	622	2%	2,319	1,907	22%
Operating EBITDA margins %	27%	28%		27%		27%	28%	
Reported EBITDA	613	478	28%	601	2%	2,240	1,840	22%
EBITDA margins %	26%	27%		26%		26%	27%	
Finance cost/(income)	36	-4	-1000%	35	3%	84	-38	-321%
Depreciation and amortisation	114	84	36%	106	8%	407	284	43%
Profit before tax	463	398	16%	460	1%	1,749	1,594	10%
Tax	87	87	0%	71	23%	340	316	8%
Profit after tax	376	311	21%	315	19%	1,335	1,278	4%
Net Profit margins %	16%	17%		14%		17%	17%	
EPS - Reported	3.87	3.20	21%	3.24	19%	14	13	4%

Source: Company, Way2wealth Research

Particulars	FY22	FY23	FY24	FY25	FY26E	FY27E
Net revenue	5,218	5,904	6,849	8,667	10908	11568
Direct costs	2,103	2,304	2,675	3,416	4,527	4,627
% of sales	40%	39%	39%	39%	42%	40%
Gross profit	3,115	3,600	4,174	5,251	6,381	6,941
gross profit margins %	60%	61%	61%	61%	59%	60%
Indirect overheads	1,725	1,964	2,267	2,932	3654	3875
% of sales	33%	33%	33%	34%	34%	34%
Reported EBITDA	1,340	1,598	1,840	2,240	2,727	3,065
EBITDA margins %	26%	27%	27%	26%	25%	27%
Finance cost/(income)	112	39	-38	84	97.5	97.5
Depreciation and amortisation	248	260	284	407	509	629
Profit before tax	980	1,299	1,594	1,749	2,121	2,339
Exceptional				-74		
Profit before tax after exceptional item	980	1,299	1,594	1,675	2,121	2,339
Tax	143	214	316	340	445	491
Profit after tax	837	1,085	1,278	1,335	1,676	1,848
Net Profit margins %	16%	18%	19%	15%	15%	16%
EPS - Reported	8.61	11.16	13.15	13.73	17.24	19.01

Source: Company, Way2wealth Research

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View – Buy

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Disclosure of Interest Statement Max Healthcare Institute Ltd. as on 26th May 2025

Name of the Security	Max Healthcare Institute Ltd.
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
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL

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