

**FINANCIAL MODELLING REPORT**

**(A Comprehensive DCF and Comparable Comps Valuation)**

**Akshay Raj BSE: 543220 | NSE: MAXHEALTH**

**TABLE OF CONTENTS**



**One Page Profile**

**Historical Statement**

**Common Size Statement**

**Ratio Analysis**

**Forecasting**

**Beta Drifting**

**WACC**

**DCF Valuation**

**Comparable Comps Valuation**

**VAR & Simulation**

**Dupont Analysis**

**Altman’s Z Score**

### MAX HEALTHCARE INSTITUTE LTD - One Page Profile

Max Healthcare Institute Limited is primarily engaged in the providing healthcare services through primary care clinics, multi-speciality hospitals / medical centres and super-speciality hospitals providing operation and management, medical services, clinical, radiology, pathology services and related healthcare services.

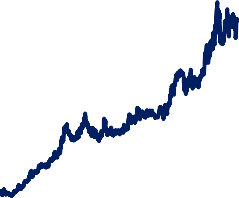
*INR (Crs)*

**Key Financial Metrics Mar-20 Mar-21 Mar-22 Mar-23 Mar-24**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Total Sales | 1,059.03 | 2,507.97 | 3,936.55 | 4,562.60 | 5,406.02 |
| *Sales Growth (Y-o-Y)* | (0.37) | 1.37 | 0.57 | 0.16 | 0.18 |
| Gross Profit | 797.52 | 1,812.94 | 2,885.75 | 3,501.55 | 4,286.46 |
| GP Margin (%) | 75.31% | 72.29% | 73.31% | 76.74% | 79.29% |
| EBITDA Margin (%) | 8.84% | 16.24% | 24.15% | 27.19% | 27.60% |
| EBIT Margin (%) | 4.53% | 9.30% | 18.53% | 22.10% | 23.07% |
| Net Profit Margin (%) | 5.57% | -5.48% | 15.37% | 24.19% | 19.56% |
| Earnings Per Share (In Rs.) | 1.10 | (1.42) | 6.24 | 11.37 | 10.88 |
| *EPS Growth (Y-o-Y)* | (20.60) | (2.30) | (5.38) | 0.82 | (0.04) |
| Dividend Per share (In Rs.) | - | - | - | 1.00 | 1.50 |
| *DPS Growth (Y-o-Y)* | 0.00% | 0.00% | 0.00% | 0.00% | 50.01% |

**Share Price - 5Y**

1000.0

900.0

800.0

700.0

600.0

500.0

400.0

300.0

200.0

100.0

0.0

2020 2021 2022 2023

**Key Financial Ratios Mar-20 Mar-20 Mar-20 Mar-20 Mar-20**

**Volume - 5Y**

Price to Book Value

0.00

3.52

5.37

5.78

9.48

50m

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Price to Earnings | - | -144.48 | 55.71 | 38.81 | 75.34 | 150m |
| EV/EBITDA | 8.06 | 49.88 | 35.89 | 33.89 | 53.54 | 100m |
| EV/Sales | 0.71 | 8.10 | 8.67 | 9.22 | 14.78 |  |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Return on Equity (%) | 2% | -2% | 10% | 15% | 13% | 0m |  | | |
| Return on Capital Employed (%) | 4% | 2% | 12% | 15% | 16% | 2020 | 2021 | 2022 | 2023 |

57.33%

**Top 10 Shareholders**

**N. Shares (In Crs) Holding (%) Market Value (In Crs)**

**Shareholding Pattern**

3.97%

14.96%

23.75%

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Abhay Soi | 23.07 | 23.74 | 18,988.07 |  |
| Government Of Singapore | 7.36 | 7.57 | 6,058.02 | Public |
| New World Fund Inc | 5.29 | 5.45 | 4,355.46 |  |
| Smallcap World Fund Inc | 4.68 | 4.82 | 3,854.25 | DIIs |
| Hdfc Mutual Fund | 3.09 | 3.18 | 2,542.41 |  |
| SBI Mutual Fund | 2.30 | 2.37 | 1,894.55 | Promoters |
| Canara Robeco Mutual Fund | 1.67 | 1.72 | 1,374.08 |  |
| Monetary Authority Of Singapore | 1.36 | 1.4 | 1,119.19 | FIIs |
| Gqg Partners Emerging Markets Equity Fund | 1.00 | 1.02 | 818.91 |  |
| LLP | 0.08 | 0.09 | 68.84 |  |

0% 20% 40% 60% 80%

##### Managerial Remuneration Designation % Change X of Median Salary

**Capital Structure**

Mr. Abhay Soi

Mr. Anil Kumar Bhatnagar1

Executive Director Non-Executive Director

(0.41) NA2

378:1

6:1

Share Price O/S

822.7

97.19

1. *Appointed on the Board as non-executive director with effect from August 31, 2022.*
2. *The percentage increase in remuneration is only given for those Directors who have drawn remuneration from the*

**Market**

Less: Cash Add: Debt Add: Minority

**Enterprise Value**

79,959.28

1099.27

1,298.95

0

80,158.96

##### Future Vision

* The organization acquired 5.44 acres of prime land at Shaheed Path in Lucknow with the potential to build approximately 550 beds.
* Lucknow Hospital has commenced work to install an additional 140 beds, expected to be completed by 2QFY26, and to refurbish the existing 250 beds by Dec’24. Additionally, the company plans to add 50 beds through internal configuration in FY26.
* Additionally, the company plans to put up a new tower of 350 beds by 1QFY27 in Lucknow.
* Work has commenced at the Nagpur Hospital to add 25 beds through internal reconfiguration by 3QFY25. Additionally, the management is formulating plans to augment the infrastructure with another 140 beds.
* Dwarka hospital to be commercialized in Jun’24 with over 280 doctors on boarded.  329 beds at Nanavati is scheduled to be completed by 4QFY25.
* The profitability of Lucknow and Nagpur hospitals to increase in FY25.



**Historical Financial Statement - MAX HEALTHCARE INSTITUTE LTD**

**Years**

**Mar-17**

**Mar-18**

**Mar-19**

**Mar-20**

**Mar-21**

**Mar-22**

**Mar-23**

**Mar-24**

**LTM**

**MAX HEALTHCARE INSTITUTE LTD**

**NSE Code: MAXHEALTH | BSE Code: 543220**

#

**Income Statement**

Sales ₹ 1,608.3 ₹ 1,729.1 ₹ 1,691.0 ₹ 1,059.0 ₹ 2,508.0 ₹ 3,936.6 ₹ 4,562.6 ₹ 5,406.0 ₹ 5,406.0

*Sales Growth - 7.52% -2.20% -37.37% 136.82% 56.96% 15.90% 18.49% 0.00%*

COGS ₹ 853.1 ₹ 950.7 ₹ 889.6 ₹ 491.6 ₹ 1,284.7 ₹ 1,821.2 ₹ 1,873.0 ₹ 2,052.9 ₹ 3,913.9

*COGS % Sales 53.05% 54.98% 52.60% 46.42% 51.22% 46.26% 41.05% 37.97% 72.40%*

**Gross Profit**

**₹ 755.13**

**₹ 778.46**

**₹ 801.47**

**₹ 567.39**

**₹ 1,223.30**

**₹ 2,115.38**

**₹ 2,689.56**

**₹ 3,353.10**

**₹ 1,492.12**

*Gross Margin 46.95% 45.02% 47.40% 53.58% 48.78% 53.74% 58.95% 62.03% 27.60%*

Selling & General Expenditures ₹ 614.21 ₹ 665.06 ₹ 645.41 ₹ 473.74 ₹ 815.90 ₹ 1,164.67 ₹ 1,449.03 ₹ 1,860.98 ₹ 0.00

*S&G Exp % Sales 38.19% 38.46% 38.17% 44.73% 32.53% 29.59% 31.76% 34.42% 0.00%*

**EBITDA**

**₹ 140.92**

**₹ 113.40**

**₹ 156.06**

**₹ 93.65**

**₹ 407.40**

**₹ 950.71**

**₹ 1,240.53**

**₹ 1,492.12**

**₹ 1,670.19**

*EBITDA Margins 8.76% 6.56% 9.23% 8.84% 16.24% 24.15% 27.19% 27.60% 30.90%*

Interest ₹ 99.68 ₹ 99.37 ₹ 101.27 ₹ 83.24 ₹ 179.46 ₹ 100.87 ₹ 83.86 ₹ 59.89 ₹ 59.89

*Interest % Sales 6.20% 5.75% 5.99% 7.86% 7.16% 2.56% 1.84% 1.11% 1.11%*

Depreciation ₹ 95.51 ₹ 94.42 ₹ 102.64 ₹ 45.64 ₹ 174.09 ₹ 221.12 ₹ 232.19 ₹ 244.98 ₹ 244.98

*Depreciation % Sales 5.94% 5.46% 6.07% 4.31% 6.94% 5.62% 5.09% 4.53% 4.53%*

**Earning Before Tax**

**-₹ 54.27**

**-₹ 80.39**

**-₹ 47.85**

**-₹ 35.23**

**₹ 53.8**

**₹ 628.7**

**₹ 924.5**

**₹ 1,187.3**

**₹ 1,365.3**

*EBT % Sales -3.37% -4.65% -2.83% -3.33% 2.15% 15.97% 20.26% 21.96% 25.26%*

Tax -₹ 11.09 ₹ 9.95 ₹ 8.51 -₹ 0.13 ₹ 45.9 ₹ 133.9 (₹ 39.8) ₹ 307.7 ₹ 307.7

*Effective Tax Rate 20.43% -12.38% -17.78% 0.37% 85.14% 21.29% -4.30% 25.92% 22.54%*

**Net Profit**

**-₹ 43.18**

**-₹ 90.34**

**-₹ 56.36**

**-₹ 35.10**

**₹ 8.0**

**₹ 494.9**

**₹ 964.3**

**₹ 879.6**

**₹ 1,057.6**

*Net Margins -2.68% -5.22% -3.33% -3.31% 0.32% 12.57% 21.13% 16.27% 19.56%*

No of Equity Shares ₹ 53.72 ₹ 53.72 ₹ 53.72 ₹ 53.72 ₹ 96.59 ₹ 96.96 ₹ 97.09 ₹ 97.19 ₹ 97.19

Earnings Per Share -₹ 0.80 -₹ 1.68 -₹ 1.05 -₹ 0.65 ₹ 0.1 ₹ 5.1 ₹ 9.9 ₹ 9.1 ₹ 10.9

*EPS Growth % 0.00% 109.22% -37.61% -37.72% -112.68% 6062.27% 94.59% -8.88% 20.25%*

Dividend Per Share - - - - - - ₹ 1.0 ₹ 1.5 -

*Dividend Payout Ratio 0.00% 0.00% 0.00% 0.00% 0.00% 0.00% 10.07% 16.58% 0.00%*

Retained Earnings *0.00% 0.00% 0.00% 0.00% 100.00% 100.00% 89.93% 83.42% 100.00%*

#

**Balance Sheet**

Equity Share Capital ₹ 537.2 ₹ 537.2 ₹ 537.2 ₹ 537.2 ₹ 966.0 ₹ 969.6 ₹ 970.9 ₹ 971.9

Reserves ₹ 655.1 ₹ 626.7 ₹ 426.0 ₹ 2,015.9 ₹ 4,672.7 ₹ 5,312.9 ₹ 6,438.7 ₹ 7,436.2

Borrowings ₹ 874.1 ₹ 980.5 ₹ 1,002.8 ₹ 874.7 ₹ 1,101.4 ₹ 913.4 ₹ 689.0 ₹ 1,299.0

Other Liabilities ₹ 1,079.6 ₹ 1,157.1 ₹ 1,388.6 ₹ 545.8 ₹ 1,803.4 ₹ 1,993.3 ₹ 2,003.3 ₹ 2,292.9

**Total Liabilities**

**₹ 3,146.1**

**₹ 3,301.5**

**₹ 3,354.5**

**₹ 3,973.7**

**₹ 8,543.5**

**₹ 9,189.1**

**₹ 10,101.9**

**₹ 11,999.9**

Fixed Assets Net Block ₹ 2,244.2 ₹ 2,227.2 ₹ 2,192.4 ₹ 851.0 ₹ 6,536.4 ₹ 7,017.6 ₹ 7,038.7 ₹ 8,891.5

Capital Work in Progress ₹ 46.1 ₹ 38.3 ₹ 87.0 ₹ 27.6 ₹ 26.9 ₹ 151.1 ₹ 252.4 ₹ 445.3

Investments - - ₹ 0.5 ₹ 2,182.1 ₹ 0.5 ₹ 0.5 ₹ 0.5 ₹ 2.1

Other Assets ₹ 575.0 ₹ 638.2 ₹ 674.4 ₹ 670.6 ₹ 907.0 ₹ 1,073.9 ₹ 929.8 ₹ 1,019.3

###### Total Non Current Assets ₹ 2,865.4 ₹ 2,903.7 ₹ 2,954.3 ₹ 3,731.2 ₹ 7,470.9 ₹ 8,243.1 ₹ 8,221.4 ₹ 10,358.1

Receivables ₹ 234.8 ₹ 279.6 ₹ 362.6 ₹ 96.1 ₹ 365.9 ₹ 385.4 ₹ 336.1 ₹ 462.7

Inventory ₹ 23.1 ₹ 28.3 ₹ 26.0 ₹ 26.8 ₹ 53.8 ₹ 61.4 ₹ 76.2 ₹ 79.8

Cash & Bank ₹ 22.8 ₹ 90.0 ₹ 11.6 ₹ 119.6 ₹ 652.9 ₹ 499.3 ₹ 1,468.1 ₹ 1,099.3

###### Total Current Assets ₹ 280.7 ₹ 397.8 ₹ 400.3 ₹ 242.5 ₹ 1,072.6 ₹ 946.0 ₹ 1,880.4 ₹ 1,641.8

**Total Assets**

**₹ 3,146.1**

**₹ 3,301.5**

**₹ 3,354.5**

**₹ 3,973.7**

**₹ 8,543.5**

**₹ 9,189.1**

**₹ 10,101.9**

**₹ 11,999.9**

*Check*

*TRUE*

*TRUE*

*TRUE*

*TRUE*

*TRUE*

*TRUE*

*TRUE*

*TRUE*

# **Cash Flow Statement Operating Activities**

Profit from operations ₹ 182.0 ₹ 140.0 ₹ 165.0 ₹ 122.0 ₹ 436.0 ₹ 980.0 ₹ 1,290.0 ₹ 1,550.0

Receivables (₹ 58.0) (₹ 62.0) (₹ 78.0) (₹ 31.0) ₹ 56.0 ₹ 3.0 ₹ 65.0 (₹ 109.0)

Inventory - (₹ 5.0) ₹ 2.0 (₹ 12.0) ₹ 17.0 (₹ 8.0) (₹ 15.0) ₹ 6.0

Payables ₹ 64.0 ₹ 107.0 ₹ 28.0 (₹ 12.0) (₹ 478.0) (₹ 45.0) ₹ 99.0 (₹ 40.0)

Loans Advances - - - - - - - - Other WC items ₹ 2.0 ₹ 8.0 (₹ 1.0) ₹ 17.0 ₹ 28.0 (₹ 81.0) (₹ 68.0) (₹ 16.0)

**Working capital changes** ₹ 9.0 ₹ 48.0 (₹ 48.0) (₹ 39.0) (₹ 376.0) (₹ 131.0) ₹ 81.0 (₹ 159.0)

Direct taxes (₹ 35.0) (₹ 23.0) (₹ 28.0) (₹ 6.0) ₹ 58.0 (₹ 109.0) (₹ 161.0) (₹ 269.0)

**Cash from Operating Activities**

**₹ 156.0**

**₹ 165.0**

**₹ 89.0**

**₹ 77.0**

**₹ 118.0**

**₹ 740.0**

**₹ 1,210.0**

**₹ 1,122.0**

###### Investing Activities

Fixed assets purchased (₹ 115.0) (₹ 66.0) (₹ 116.0) (₹ 90.0) (₹ 118.0) (₹ 553.0) (₹ 336.0) (₹ 779.0) Fixed assets sold - - - - ₹ 2.0 ₹ 5.0 ₹ 4.0 ₹ 6.0 Investments purchased - - (₹ 1.0) (₹ 2,136.0) - - - (₹ 8.0) Investments sold - - ₹ 76.0 - - - - - Interest received ₹ 36.0 ₹ 47.0 ₹ 45.0 ₹ 25.0 ₹ 66.0 ₹ 74.0 ₹ 86.0 ₹ 153.0 Loans to subsidiaries - - - (₹ 440.0) - - - - Acquisition of companies - - - - - (₹ 107.0) - (₹ 69.0) Other investing items (₹ 24.0) (₹ 106.0) (₹ 22.0) - ₹ 257.0 (₹ 183.0) (₹ 941.0) (₹ 589.0)

**Cash from Investing Activities**

**(₹ 103.0)**

**(₹ 125.0)**

**(₹ 18.0)**

**(₹ 2,641.0)**

**₹ 207.0**

**(₹ 764.0)**

**(₹ 1,187.0)**

**(₹ 1,286.0)**

###### Financing Activities

Proceeds from shares - - - ₹ 1,858.0 ₹ 1,179.0 ₹ 4.0 ₹ 1.0 ₹ 1.0

Proceeds from borrowings ₹ 105.0 ₹ 106.0 ₹ 53.0 ₹ 732.0 ₹ 737.0 ₹ 57.0 ₹ 7.0 ₹ 642.0

Repayment of borrowings (₹ 34.0) - (₹ 31.0) (₹ 151.0) (₹ 1,528.0) (₹ 250.0) (₹ 169.0) (₹ 564.0)

Interest paid fin (₹ 95.0) (₹ 91.0) (₹ 96.0) (₹ 78.0) (₹ 171.0) (₹ 91.0) (₹ 71.0) (₹ 172.0) Dividends paid - - - - - - - (₹ 97.0) Financial liabilities - - - (₹ 7.0) (₹ 26.0) (₹ 14.0) (₹ 57.0) (₹ 147.0) Share application money - - - - - - - - Application money refund - - - - - - - - Other financing items (₹ 24.0) (₹ 63.0) - - - - - ₹ 74.0

**Cash from Financing Activities**

**(₹ 48.0)**

**(₹ 48.0)**

**(₹ 74.0)**

**₹ 2,354.0**

**₹ 191.0**

**(₹ 294.0)**

**(₹ 289.0)**

**(₹ 263.0)**

**Net Cash Flow**

**₹ 5.0**

**(₹ 8.0)**

**(₹ 3.0)**

**(₹ 210.0)**

**₹ 516.0**

**(₹ 318.0)**

**(₹ 266.0)**

**(₹ 427.0)**



**MAX HEALTHCARE INSTITUTE LTD**

**NSE Code: MAXHEALTH | BSE Code: 543220**

**Common Size Income Statement -MAX HEALTHCARE INSTITUTE LTD**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Particulars** | **Mar-17** | **Mar-18** | **Mar-19** | **Mar-20** | **Mar-21** | **Mar-22** | **Mar-23** | **Mar-24** |
|  |  |  |  |  |  |  |  |  |
| **Sales** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** |
| Raw Material Cost | 26.30% | 24.93% | 21.42% | 21.66% | 23.15% | 23.64% | 20.53% | 20.70% |
| Change in Inventory | -0.01% | 0.30% | -0.13% | 0.00% | 0.00% | 0.00% | 0.00% | 0.01% |
| Power and Fuel | 2.54% | 2.39% | 2.72% | 2.15% | 2.05% | 1.59% | 1.51% | 0.00% |
| Other Mfr. Exp | 2.18% | 3.46% | 2.24% | 0.89% | 2.52% | 1.46% | 1.21% | 0.00% |
| Employee Cost | 22.02% | 24.49% | 26.09% | 21.73% | 23.51% | 19.57% | 17.80% | 17.28% |
| Selling and admin | 36.89% | 37.44% | 37.23% | 41.46% | 30.96% | 34.87% | 36.81% | 0.00% |
| Other Expenses | 1.30% | 1.02% | 0.93% | 3.27% | 1.57% | -5.28% | -5.05% | 34.42% |
| Other Income | 3.67% | 3.77% | 3.32% | 4.53% | -4.88% | 2.80% | 3.05% | 3.29% |
| Depreciation | 5.94% | 5.46% | 6.07% | 4.31% | 6.94% | 5.62% | 5.09% | 4.53% |
| Interest | 6.20% | 5.75% | 5.99% | 7.86% | 7.16% | 2.56% | 1.84% | 1.11% |
| Profit before tax | 0.29% | -0.88% | 0.49% | 1.21% | -2.74% | 18.77% | 23.31% | 25.26% |
| Tax | -0.69% | 0.58% | 0.50% | -0.01% | 1.83% | 3.40% | -0.87% | 5.69% |
| Net profit | 0.98% | -1.45% | -0.18% | 5.57% | -5.48% | 15.37% | 24.19% | 19.56% |
| Dividend Amount | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 2.13% | 2.70% |
| EBITDA | 12.43% | 10.33% | 12.38% | 17.73% | 10.44% | 26.95% | 30.24% | 30.90% |

**Common Size Balance Sheet -MAX HEALTHCARE INSTITUTE LTD**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Particulars** | **Mar-17** | **Mar-18** | **Mar-19** | **Mar-20** | **Mar-21** | **Mar-22** | **Mar-23** | **Mar-24** |
|  |  |  |  |  |  |  |  |  |
| **Total Liabilities** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** |
| Equity Share Capital | 17.08% | 16.27% | 16.02% | 13.52% | 11.31% | 10.55% | 9.61% | 8.10% |
| Reserves | 20.82% | 18.98% | 12.70% | 50.73% | 54.69% | 57.82% | 63.74% | 61.97% |
| Borrowings | 27.78% | 29.70% | 29.89% | 22.01% | 12.89% | 9.94% | 6.82% | 10.82% |
| Other Liabilities | 34.32% | 35.05% | 41.39% | 13.73% | 21.11% | 21.69% | 19.83% | 19.11% |
| **Total Assets** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** |
| Net Block | 71.33% | 67.46% | 65.36% | 21.41% | 76.51% | 76.37% | 69.68% | 74.10% |
| Capital Work in Progr | 1.47% | 1.16% | 2.59% | 0.69% | 0.32% | 1.64% | 2.50% | 3.71% |
| Investments | 0.00% | 0.00% | 0.02% | 54.91% | 0.01% | 0.01% | 0.01% | 0.02% |
| Other Assets | 18.28% | 19.33% | 20.10% | 16.88% | 10.62% | 11.69% | 9.20% | 8.49% |
| Receivables | 7.46% | 8.47% | 10.81% | 2.42% | 4.28% | 4.19% | 3.33% | 3.86% |
| Inventory | 0.73% | 0.86% | 0.78% | 0.67% | 0.63% | 0.67% | 0.75% | 0.67% |
| Cash & Bank | 0.72% | 2.73% | 0.35% | 3.01% | 7.64% | 5.43% | 14.53% | 9.16% |



**MAX HEALTHCARE INSTITUTE LTD**

**NSE Code: MAXHEALTH | BSE Code: 543220**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Ratio Analysis - MAX HEALTHCARE INSTITUTE LTD** | | | | | | | | | | |
| **Years** | **Mar-17** | **Mar-18** | **Mar-19** | **Mar-20** | **Mar-21** | **Mar-22** | **Mar-23** | **Mar-24 Trend** | **Mean** | **Median** |
|  |  |  |  |  |  |  |  |  |  |  |
| SalesGrowth |  | 7.52% | -2.20% | -37.37% | 136.82% | 56.96% | 15.90% | 18.49% | 28.02% | 15.90% |
| EBITDA Growth |  | -19.53% | 37.62% | -39.99% | 335.02% | 133.36% | 30.48% | 20.28% | 71.04% | 30.48% |
| EBIT Growth |  | 48.13% | -40.48% | -26.37% | -252.85% | 1067.54% | 47.04% | 28.42% | 124.49% | 28.42% |
| Net Profit Growth |  | 109.22% | -37.61% | -37.72% | -122.79% | 6085.88% | 94.85% | -8.78% | 869.00% | -8.78% |
| Dividend Growth |  | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 50.01% | 7.14% | 0.00% |
|  |  |  |  |  |  |  |  |  |  |  |
| Gross Margin | 46.95% | 45.02% | 47.40% | 53.58% | 48.78% | 53.74% | 58.95% | 62.03% | 52.05% | 51.18% |
| EBITDA Margin | 8.76% | 6.56% | 9.23% | 8.84% | 16.24% | 24.15% | 27.19% | 27.60% | 16.07% | 12.74% |
| EBIT Margin | 2.82% | 1.10% | 3.16% | 4.53% | 9.30% | 18.53% | 22.10% | 23.07% | 10.58% | 6.92% |
| EBT Margin | -3.37% | -4.65% | -2.83% | -3.33% | 2.15% | 15.97% | 20.26% | 21.96% | 5.77% | -0.34% |
| Net Profit Margin | -2.68% | -5.22% | -3.33% | -3.31% | 0.32% | 12.57% | 21.13% | 16.27% | 4.47% | -1.18% |
|  |  |  |  |  |  |  |  |  |  |  |
| SalesExpenses%Sales | 38.19% | 38.46% | 38.17% | 44.73% | 32.53% | 29.59% | 31.76% | 34.42% | 35.98% | 36.30% |
| Depreciation%Sales | 5.94% | 5.46% | 6.07% | 4.31% | 6.94% | 5.62% | 5.09% | 4.53% | 5.49% | 5.54% |
| OperatingIncome%Sales | 2.82% | 1.10% | 3.16% | 4.53% | 9.30% | 18.53% | 22.10% | 23.07% | 10.58% | 6.92% |
|  |  |  |  |  |  |  |  |  |  |  |
| Return on Capital Employed | 2.20% | 0.89% | 2.72% | 1.40% | 3.46% | 10.14% | 12.45% | 12.85% | 5.76% | 3.09% |
| Retained Earnings% | 0.00% | 0.00% | 0.00% | 0.00% | 100.00% | 100.00% | 89.93% | 83.42% | 46.67% | 41.71% |
| Return on Equity% | -3.62% -7.76% -5.85% -1.37% | | | | 0.14% | 7.88% | 13.01% | 10.46% | 1.61% -0.62% | |
| Self Sustained Growth Rate | 0.00% | 0.00% | 0.00% | 0.00% | 0.14% | 7.88% | 11.70% | 8.73% | 3.56% | 0.07% |
| Debt to Equity Ratio | 0.73x | 0.84x | 1.04x | 0.34x | 0.20x | 0.15x | 0.09x | 0.15x | 0.44x | 0.27x |
| Interest Coverage Ratio | 0.46x | 0.19x | 0.53x | 0.58x | 1.30x | 7.23x | 12.02x | 20.82x | 5.39x | 0.94x |
|  |  |  |  |  |  |  |  |  |  |  |
| Debtor Turnover Ratio | 6.85x | 6.19x | 4.66x | 11.02x | 6.85x | 10.22x | 13.57x | 11.68x | 8.88x | 8.53x |
| Creditor Turnover Ratio | 1.49x | 1.49x | 1.22x | 1.94x | 1.39x | 1.97x | 2.28x | 2.36x | 1.77x | 1.72x |
| Inventory Turnover | 69.56x | 61.16x | 65.01x | 39.52x | 46.62x | 64.15x | 59.85x | 67.71x | 59.20x | 62.66x |
| Fixed Asset Turnover | 0.72x | 0.78x | 0.77x | 1.24x | 0.38x | 0.56x | 0.65x | 0.61x | 0.71x | 0.68x |
| Capital Turnover Ratio | 1.35x | 1.49x | 1.76x | 0.41x | 0.44x | 0.63x | 0.62x | 0.64x | 0.92x | 0.63x |
| ***(In days)*** |  |  |  |  |  |  |  |  |  |  |
| Debtor Days | 53 | 59 | 78 | 33 | 53 | 36 | 27 | 31 | 46 | 44 |
| Payable Days | 245 | 244 | 300 | 188 | 262 | 185 | 160 | 155 | 217 | 216 |
| Inventory Days | 5 | 6 | 6 | 9 | 8 | 6 | 6 | 5 | 6 | 6 |
| Cash Conversion Cycle (in days) -186 -179 -216 -146 -201 -143 -127 -118 -165 -163 | | | | | | | | | | |
| CFO/Sales | 9.70% | 9.54% | 5.26% | 7.27% | 4.71% | 18.80% | 26.52% | 20.75% | 12.82% | 9.62% |
| CFO/Total Assets | 4.96% | 5.00% | 2.65% | 1.94% | 1.38% | 8.05% | 11.98% | 9.35% | 5.66% | 4.98% |
| CFO/Total Debt | 17.85% | 16.83% | 8.88% | 8.80% | 10.71% | 81.02% | 175.63% | 86.38% | 50.76% | 17.34% |



**MAX HEALTHCARE INSTITUTE LTD**

**NSE Code: MAXHEALTH | BSE Code: 543220**

**FORECASTING**

**MAX HEALTHCARE INSTITUTE LTD - Sales Forecasting Year Weight Year Sales Sales Growth**

**MAX HEALTHCARE INSTITUTE LTD - EBITDA Forecasting**

**Year Weight Year EBITDA EBITDA Growth**

1 2017A 1608.3 1 2017A 199.89

2 2018A 1729.1 7.52% 2 2018A 178.59 -10.66%

3 2019A 1691.0 -2.20% 3 2019A 209.41 17.26%

4 2020A 1059.0 -37.37% 4 2020A 187.74 -10.35%

5 2021A 2508.0 136.82% 5 2021A 261.85 39.47%

6 2022A 3936.6 56.96% 6 2022A 1060.89 305.15%

7 2023A 4562.6 15.90% 7 2023A 1379.77 30.06%

8 2024A 5406.0 18.49% 8 2024A 1670.19 21.05%

9 2025E 5434.2 0.52% 9 2025E 1657.464 -0.76%

10 2026E 6016.8 10.72% 10 2026E 1882.78 13.59%

11 2027E 6599.4 9.68% 11 2027E 2108.096 11.97%

12 2028E 7182.0 8.83% 12 2028E 2333.412 10.69%

13 2029E 7764.6 8.11% 13 2029E 2558.728 9.66%

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **MAX HEALTHCARE INSTITUTE LTD - EBIT Forecasting** | | | | | |  | **MAX HEALTHCARE INSTITUTE LTD - EPS Forecasting** | | | | | |
| **Year Weight** | **Year** |  | **EBIT** |  | **EBITDA Growth** |  | **Year Weight** | **Year** | **EPS** |  | **EPS Growth** |  |
| 1 |  | 2017A |  | 104.4 |  |  | 1 | 2017A |  | -0.8 |  |  |
| 2 |  | 2018A |  | 84.2 | -19.36% |  | 2 | 2018A |  | -1.7 |  | 109.22% |
| 3 |  | 2019A |  | 106.8 | 26.85% |  | 3 | 2019A |  | -1.0 |  | -37.61% |
| 4 |  | 2020A |  | 142.1 | 33.09% |  | 4 | 2020A |  | -0.7 |  | -37.72% |
| 5 |  | 2021A |  | 87.8 | -38.24% |  | 5 | 2021A |  | 0.1 |  | -112.68% |
| 6 |  | 2022A |  | 839.8 | 856.89% |  | 6 | 2022A |  | 5.1 |  | 6062.27% |
| 7 |  | 2023A |  | 1147.6 | 36.65% |  | 7 | 2023A |  | 9.9 |  | 94.59% |
| 8 |  | 2024A |  | 1425.2 | 24.19% |  | 8 | 2024A |  | 9.1 |  | -8.88% |
| 9 |  | 2025E |  | 1387.3 | -2.66% |  | 9 | 2025E |  | 10.3 |  | 14.16% |
| 10 |  | 2026E |  | 1586.2 | 14.34% |  | 10 | 2026E |  | 12.1 |  | 16.85% |
| 11 |  | 2027E |  | 1785.1 | 12.54% |  | 11 | 2027E |  | 13.8 |  | 14.42% |
| 12 |  | 2028E |  | 1984.0 | 11.14% |  | 12 | 2028E |  | 15.6 |  | 12.60% |
| 13 |  | 2029E |  | 2182.9 | 10.03% |  | 13 | 2029E |  | 17.3 |  | 11.19% |



**MAX HEALTHCARE INSTITUTE LTD**

**NSE Code: MAXHEALTH | BSE Code: 543220**

**BETA REGRESSION**

***Regression Beta - 2 Years Weekly***

##### Max Healthcare Institute LTD Weekly Returns NIFTY Weekly Returns Beta Drifting

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Date** | **Closing Price** | **Return** |  | **Closing Price** | **Return** | Levered Raw Beta | 0.57 |
| 30-05-2022 | 372.1 |  |  | 16584.3 |  | Raw Beta Weight | 75.00% |
| 06-06-2022 | 356.8 | -4.12% |  | 16201.8 | -2.31% |  |  |
| 13-06-2022 | 358.1 | 0.36% |  | 15293.5 | -5.61% | Market Beta | 1.00 |
| 20-06-2022 | 371.6 | 3.79% |  | 15699.3 | 2.65% | Market Beta Weight | 25.00% |
| 27-06-2022 | 358.8 | -3.45% |  | 15752.0 | 0.34% |  |  |
| 04-07-2022 | 363.3 | 1.27% |  | 16220.6 | 2.97% | **Adjusted Beta** | **0.68** |
| 11-07-2022 | 367.9 | 1.25% |  | 16049.2 | -1.06% |  |  |
| 18-07-2022 | 354.7 | -3.60% |  | 16719.4 | 4.18% |  |  |
| 25-07-2022 | 369.0 | 4.05% |  | 17158.3 | 2.62% |  |  |
| 01-08-2022 | 375.0 | 1.62% |  | 17397.5 | 1.39% |  |  |
| 08-08-2022 | 361.3 | -3.66% |  | 17698.2 | 1.73% |  |  |
| 15-08-2022 | 378.3 | 4.71% |  | 17758.4 | 0.34% |  |  |
| 22-08-2022 | 378.1 | -0.07% |  | 17558.9 | -1.12% |  |  |
| 29-08-2022 | 379.3 | 0.33% |  | 17539.4 | -0.11% |  |  |
| 05-09-2022 | 412.6 | 8.78% |  | 17833.3 | 1.68% |  |  |
| 12-09-2022 | 433.5 | 5.06% |  | 17530.8 | -1.70% |  |  |
| 19-09-2022 | 426.2 | -1.67% |  | 17327.3 | -1.16% |  |  |
| 26-09-2022 | 407.2 | -4.46% |  | 17094.3 | -1.34% |  |  |
| 03-10-2022 | 415.3 | 1.99% |  | 17314.7 | 1.29% |  |  |
| 10-10-2022 | 427.0 | 2.82% |  | 17185.7 | -0.74% |  |  |
| 17-10-2022 | 410.3 | -3.92% |  | 17576.3 | 2.27% |  |  |
| 24-10-2022 | 429.6 | 4.71% |  | 17786.8 | 1.20% |  |  |
| 31-10-2022 | 462.1 | 7.55% |  | 18117.2 | 1.86% |  |  |
| 07-11-2022 | 444.4 | -3.83% |  | 18349.7 | 1.28% |  |  |
| 14-11-2022 | 425.6 | -4.22% |  | 18307.7 | -0.23% |  |  |
| 21-11-2022 | 430.3 | 1.11% |  | 18512.8 | 1.12% |  |  |
| 28-11-2022 | 446.8 | 3.82% |  | 18696.1 | 0.99% |  |  |
| 05-12-2022 | 432.0 | -3.31% |  | 18496.6 | -1.07% |  |  |
| 12-12-2022 | 426.2 | -1.33% |  | 18269.0 | -1.23% |  |  |
| 19-12-2022 | 431.7 | 1.28% |  | 17806.8 | -2.53% |  |  |
| 26-12-2022 | 438.8 | 1.65% |  | 18105.3 | 1.68% |  |  |
| 02-01-2023 | 432.6 | -1.41% |  | 17859.4 | -1.36% |  |  |
| 09-01-2023 | 452.2 | 4.53% |  | 17956.6 | 0.54% |  |  |
| 16-01-2023 | 437.7 | -3.22% |  | 18027.7 | 0.40% |  |  |
| 23-01-2023 | 453.8 | 3.70% |  | 17604.3 | -2.35% |  |  |
| 30-01-2023 | 434.8 | -4.20% |  | 17854.1 | 1.42% |  |  |
| 06-02-2023 | 436.7 | 0.44% |  | 17856.5 | 0.01% |  |  |
| 13-02-2023 | 433.1 | -0.82% |  | 17944.2 | 0.49% |  |  |
| 20-02-2023 | 430.9 | -0.51% |  | 17465.8 | -2.67% |  |  |
| 27-02-2023 | 424.7 | -1.42% |  | 17594.3 | 0.74% |  |  |
| 06-03-2023 | 457.0 | 7.59% |  | 17412.9 | -1.03% |  |  |
| 13-03-2023 | 459.3 | 0.50% |  | 17100.1 | -1.80% |  |  |
| 20-03-2023 | 459.9 | 0.14% |  | 16945.1 | -0.91% |  |  |
| 27-03-2023 | 440.4 | -4.25% |  | 17359.8 | 2.45% |  |  |
| 03-04-2023 | 429.6 | -2.44% |  | 17599.2 | 1.38% |  |  |
| 10-04-2023 | 470.9 | 9.60% |  | 17828.0 | 1.30% |  |  |
| 17-04-2023 | 452.7 | -3.86% |  | 17624.1 | -1.14% |  |  |
| 24-04-2023 | 459.3 | 1.46% |  | 18065.0 | 2.50% |  |  |
| 01-05-2023 | 483.4 | 5.26% |  | 18069.0 | 0.02% |  |  |
| 08-05-2023 | 499.0 | 3.22% |  | 18314.8 | 1.36% |  |  |
| 15-05-2023 | 544.2 | 9.06% |  | 18203.4 | -0.61% |  |  |
| 22-05-2023 | 539.3 | -0.91% |  | 18499.3 | 1.63% |  |  |
| 29-05-2023 | 530.1 | -1.70% |  | 18534.1 | 0.19% |  |  |
| 05-06-2023 | 568.8 | 7.29% |  | 18563.4 | 0.16% |  |  |
| 12-06-2023 | 593.4 | 4.34% |  | 18826.0 | 1.41% |  |  |
| 19-06-2023 | 579.6 | -2.33% |  | 18665.5 | -0.85% |  |  |
| 26-06-2023 | 598.5 | 3.26% |  | 19189.1 | 2.80% |  |  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **MAX HEALTHCARE INSTITUTE LTD** |  | | | | | | | |
| **NSE Code: MAXHEALTH | BSE Code: 543220** |
|  |  |  |  |  |  |  |  |  |
| **Weighted Average Cost of Capital** |  |  |  |  |  |  |  |  |
| *All figues in INR unless stated otherwise* |  |  |  |  |  |  |  |  |
| **Peer Comps** |  |  |  |  |  |  |  |  |
| Name of the Comp | Country | Total Debt | Total Equity | Tax Rate 1 | Debt /  Equity | Debt /  Capital | Levered  Beta 2 | Unlevered  Beta 3 |
|  |  |  |  |  |  |  |  |  |
| Apollo Hospital Enterprises Ltd | India | 5,332.6 | 84,329.7 | 30.00% | 6.32% | 5.95% | 0.72 | 0.69 |
| Max Healthcare Institute Ltd | India | 1,299.0 | 74,351.3 | 30.00% | 1.75% | 1.72% | 0.68 | 0.67 |
| Fortis Healthcare Ltd | India | 1,155.0 | 34,626.2 | 30.00% | 3.34% | 3.23% | 0.82 | 0.80 |
| Narayana Hrudayalaya Ltd | India | 1,626.7 | 24,160.6 | 30.00% | 6.73% | 6.31% | 0.61 | 0.58 |
|  |  |  |  |  |  |  |  |  |
|  |  |  | **Average** | 30.00% | 4.53% | 4.30% | 0.71 | 0.69 |
|  |  |  | **Median** | 30.00% | 4.83% | 4.59% | 0.70 | 0.68 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Cost of Debt** |  |  | |  |  | **Cost of Equity** |  |
| Pre-tax Cost of Debt |  |  | | 4.61% |  | Risk Free Rate | 6.95% |
| Tax Rate |  |  | | 30.00% |  | Equity Risk Premium | 8.66% |
| Post tax Cost of Debt |  |  | | 3.23% |  | Levered Beta 4 | 0.70 |
|  |  |  | |  |  | Cost of Equity | 13.02% |
| **Capital Structure** |  |  | |  |  | **Levered Beta** |  |
|  |  | **Current** | | **Target** |  | Comps Median Unlevered Beta | 0.68 |
| Total Debt | 1,299.0 | 1.72% | | 4.30% |  | Target Debt/Equity | 4.49% |
| Market Capitalization | 74,351.3 | 98.28% | | 95.70% |  | Tax Rate | 30.00% |
| Total Capital | 75,650.3 | 100.00% | | 100.00% |  | Levered Beta | 0.70 |
|  |  |  | |  |  |  |  |
| Debt/Equity |  | 1.75% | | 4.49% |  | **Weighted Average Cost of Capital** |  |
| *Notes:* | | |  |  | | Cost of Equity | 13.02% |
| 1. *Tax Rate considered as Marginal Tax Rate for the country* 2. *Levered beta is based on 5 year monthly data* | | |  |  | | Equity Weight | 95.70% |
| *3. Unlevered Beta = Levered Beta/(1+(1-Tax Rate)\*Debt/Equity)* | | |  |  | | Cost of Debt | 3.23% |
| *4. Levered Beta = Unlevered Beta\*(1+(1-Tax Rate)\*Debt/Equity)* | | |  |  | | Debt Weight | 4.30% |
|  | | |  |  | | **WACC** | **12.59%** |
|  | | |  |  | |  | **Total Cost Total Weight** |

|  |  |  |
| --- | --- | --- |
| Debt | 3.23% | 4.30% |
| Equity | 13.02% | 95.70% |
| Weighted Average Cost of Capital |  | 12.59% |



**MAX HEALTHCARE INSTITUTE LTD**

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**DCF VALUATION**

**Calculation of PV of FCFF Mar-24A Mar-25E Mar-26E Mar-27E Mar-28E Mar-29E**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| EBIT | 1,425.21 | 1,598.52 | 1,792.90 | 2,010.91 | 2,255.44 | 2,529.70 |
| Tax Rate | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% |
| EBIT(1-T) | 997.65 | 1,118.96 | 1,255.03 | 1,407.64 | 1,578.81 | 1,770.79 |
| Less: Reinvestment Rate1 | -101.54% | -60.04% | -18.54% | 22.97% | 64.47% | 64.47% |
| **Free Cash Flow to Firm (FCFF)** | **2,010.67** | **1,790.76** | **1,487.65** | **1,084.34** | **560.95** | **629.16** |
| Mid Year Convention |  | 0.5 | 1.5 | 2.5 | 3.5 | 4.5 |
| Discounting Factor |  | 0.942 | 0.837 | 0.743 | 0.660 | 0.586 |
| **PV of FCFF** |  | **1,687.64** | **1,245.15** | **806.06** | **370.35** | **368.92** |

|  |  |  |
| --- | --- | --- |
| Expected Growth1 | 12.16% |  |
| Terminal Growth2 | 7.00% |  |
| WACC | 12.59% | **Sensitivity Analysis - Enterprise Value** |

**WACC**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Calculation of Terminal Value** | | | **11.00%** | **12.00%** | **12.59%** | **14.00%** |
|  |  | **6.00%** | 12753.7 | 11374.4 | 10757.0 | 9650.3 |
| FCFF (n+1) | 705.67 | **7.00%** | 14822.6 | 12753.7 | 11880.2 | 10389.2 |
| WACC | 12.59% | **8.00%** | 18270.7 | 14822.6 | 13492.9 | 11374.4 |
| Terminal Growth Rate | 7.00% | **9.00%** | 25167.0 | 18270.7 | 16004.0 | 12753.7 |
| **Terminal Value** | **12,612.89** | **GROWTH** |  |  |  |  |

#### Calculation of Equity Value Per Share

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| PV of FCFF | 4,478.12 | **Sensitivity Analysis - Equity Value Per Share** | | | | |
| PV of Terminal Value | 7,395.75 | **WACC** | | | | |
| **Enterprise Value** | **11,873.87** |  | **11.00%** | **12.00%** | **12.59%** | **14.00%** |
| Add: Cash | 1099.27 | **6.00%** | 141.4 | 126.1 | 119.2 | 106.9 |
| Less: Debt | 1150.00 | **7.00%** | 164.4 | 141.4 | 131.7 | 115.1 |
| **Equity Value** | **11823.14** | **8.00%** | 202.8 | 164.4 | 149.6 | 126.1 |
| No of Shares | 89.83 | **9.00%** | 279.6 | 202.8 | 177.6 | 141.4 |
| **Equity Value per Share** | **131.62** | **GROWTH** |  |  |  |  |
| Share Price  **Discount/Premium** | 822  **6.25x** |  |  |  |  |  |

*Assumptions:*

1. *The reinvestment rate and growth rate are taken from the NYU Stern report on the Indian sector, updated in January 2024.*
2. *The terminal growth rate is based on India's long term GDP growth rate.*



**MAX HEALTHCARE INSTITUTE LTD**

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*Amount in Crores*

**Comparable Company Valuation**

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Market Data**  **Financials**  **Valuation** | | | | | | | | | | | | |
| **Company** | **Ticker** | **Share**  **Price** | **Shares**  **Outstanding** | **Equity**  **Value** | **Net Debt** | **Enterprise**  **Value** | **Revenue** | **EBITDA** | **Net Income** | **EV/Revenue** | **EV/EBITDA** | **P/E** |
| Apollo Hospital Enterprises Ltd | APOLLOHOSP | 5829.4 | 14.4 | 83826.1 | 4398.8 | 88224.9 | 19059.2 | 2515.0 | 935.0 | 4.63x | 35.08x | 89.65x |
| Max Healthcare Institute Ltd | MAXHEALTH | 822.0 | 97.2 | 79890.2 | 199.7 | 80089.9 | 5406.0 | 1670.2 | 1057.6 | 14.81x | 47.95x | 75.54x |
| Fortis Healthcare Ltd | FORTIS | 439.4 | 75.5 | 33170.9 | 556.6 | 33727.5 | 6892.9 | 1315.4 | 645.2 | 4.89x | 25.64x | 51.41x |
| Narayana Hrudayalaya Ltd | NH | 1165.5 | 20.4 | 23822.8 | 1210.2 | 25033.1 | 5018.3 | 1227.6 | 789.6 | 4.99x | 20.39x | 30.17x |

|  |  |  |  |
| --- | --- | --- | --- |
| High | 14.81x | 47.95x | 89.65x |
| 75th Percentile | 7.45x | 38.30x | 79.07x |
| **Average** | **7.33x** | **32.27x** | **61.69x** |
| **Median** | **4.94x** | **30.36x** | **63.47x** |
| 25th Percentile | 4.83x | 24.33x | 46.10x |
| Low | 4.63x | 20.39x | 30.17x |

|  |  |  |  |
| --- | --- | --- | --- |
| **Polycab India LTD Comparable Valuation** | **EV/Revenue** | **EV/EBITDA** | **P/E** |
|  |  |  |  |
| Implied Enterprise Value | 26,709.7 | 50,707.0 | 67,331.5 |
| Net Debt | 199.7 | 199.7 | 199.7 |
| Implied Market Value | 26,510.0 | 50,507.3 | 67,131.9 |
| Shares Outstanding | 97.2 | 97.2 | 97.2 |
|  |  |  |  |
| **Implied Value per Share** | **272.8** | **519.7** | **690.7** |
| *Source: Screener.in* | Overvalued | Overvalued | Overvalued |



**MAX HEALTHCARE INSTITUTE LTD**

**NSE Code: MAXHEALTH | BSE Code: 543220**

**Value at Risk (VAR) & Monte Carlo Simulation**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Date** | **Adj Close** | **Return** | **Sorted Return** | **Replication** | **Simulated Returns** | **Calculation of Value at Risk - Max Healthcare Institute LTD** | | | | |
| 19-02-2021 | 206.4 | 0.57165 | 0.091605086 | 1 | -0.018850678 |  | | | | |
| 11-09-2020 | 131.3 | -0.83446 | 0.088089414 | 2 | -0.011859969 | **Historical Approach** | | | | |
| 29-02-2024 | 793.3 | 4.66608 | 0.076823856 | 3 | 0.049246917 | Mean -0.18% | | | | |
| 18-12-2020 | 140.0 | -0.83557 | 0.076362151 | 4 | 0.04014996 | Std Deviation 2.43% | | | | |
| 28-02-2024 | 851.5 | 1.30905 | 0.073359821 | 5 | -0.033928923 | Min -15.09% | | | | |
| 05-04-2022 | 368.8 | 0.00285 | 0.065013704 | 6 | 0.000797157 | Max 9.16% | | | | |
| 23-02-2022 | 367.7 | -0.40539 | 0.063673199 | 7 | -0.004315312 | Stock Current Price 822.0 | | | | |
| 12-09-2023 | 618.5 | 0.49686 | 0.061352324 | 8 | 0.017514308 |  | | | | |
| 29-04-2022 | 413.2 | 2.54172 | 0.057223156 | 9 | -0.039490068 | **Percentile Confidence VAR % Stock Price VAR (INR)** | | | | |
| 18-09-2020 | 116.7 | -0.84968 | 0.05365194 | 10 | -0.018911282 | 5.00% | 95.00% | -4.17% | 856.3 | -34.3 |
| 23-01-2024 | 776.0 | 5.26886 | 0.052913643 | 11 | -0.007355245 | 1.00% | 99.00% | -7.17% | 881.0 | -59.0 |
| 26-08-2020 | 123.8 | 0.05263 | 0.052631601 | 12 | -0.018062249 | 0.50% | 99.50% | -8.50% | 891.9 | -69.9 |
| 27-08-2020 | 117.6 | 0.05226 | 0.05225551 | 13 | -0.034933398 | 10.00% | 90.00% | -3.02% | 846.9 | -24.9 |
| 28-08-2020 | 111.8 | -0.86336 | 0.052161642 | 14 | -0.025823705 |  |  |  |  |  |
| 16-04-2024 | 818.0 | 0.91092 | 0.051214545 | 15 | -0.014252031 | **Calculation of Monte Carlo Simulation** | | |  | |
| 04-01-2022 | 428.0 | 0.07821 | 0.050729107 | 16 | -0.07055537 |  | | |  | |
| 16-09-2021 | 397.0 | 0.13404 | 0.048516794 | 17 | 0.019669994 | Mean | | | -0.26% | |
| 16-03-2022 | 350.1 | -0.56410 | 0.047967709 | 18 | -0.069890959 | Std Deviation | | | 2.54% | |
| 01-02-2024 | 803.1 | 1.05501 | 0.047886157 | 19 | 0.013691315 | Min | | | -9.77% | |
| 02-05-2022 | 390.8 | 0.67179 | 0.047778396 | 20 | -0.003908363 | Max | | | 8.07% | |
| 11-05-2021 | 233.8 | 0.57465 | 0.047651022 | 21 | 0.009055588 | Stock Current Price | | | 822.0 | |
| 07-12-2020 | 148.5 | -0.62769 | 0.046078094 | 22 | 0.005852412 |  | | |  | |
| 13-12-2021 | 398.7 | -0.54192 | 0.044592585 | 23 | -0.000302906 | **Percentile Confidence VAR %** | | | **Stock Price VAR (INR)** | |
| 12-04-2024 | 870.5 | 0.03835 | 0.044519154 | 24 | -0.037185415 | 5.00% | 95.00% | -4.39% | 858.1 | -36.1 |
| 22-05-2024 | 838.3 | 2.56330 | 0.04389515 | 25 | 0.022490154 | 1.00% | 99.00% | -6.38% | 874.4 | -52.4 |
| 20-04-2021 | 235.3 | -0.34065 | 0.043853799 | 26 | 0.031845698 | 0.50% | 99.50% | -6.68% | 876.9 | -54.9 |
| 18-11-2021 | 356.8 | -0.07012 | 0.043351356 | 27 | -0.02861042 | 10.00% | 90.00% | -3.55% | 851.2 | -29.2 |
| 10-02-2022 | 383.7 | -0.34113 | 0.043153744 | 28 | -0.024337014 |  | | | | |
| 07-08-2023 | 582.4 | 0.57790 | 0.042627308 | 29 | 0.031134463 |
| 28-09-2021 | 369.1 | 2.08083 | 0.041261791 | 30 | 0.006325614 |
| 09-11-2020 | 119.8 | -0.65030 | 0.041214722 | 31 | 0.004808663 |
| 18-08-2021 | 342.6 | -0.49845 | 0.040952498 | 32 | -0.010943485 |
| 05-12-2023 | 683.0 | 0.15008 | 0.0407588 | 33 | -0.002601351 |
| 31-07-2023 | 593.9 | 0.65457 | 0.039489854 | 34 | -0.005548056 |
| 04-03-2022 | 359.0 | -0.35536 | 0.039462239 | 35 | 0.023121717 |
| 24-05-2023 | 556.8 | -0.05973 | 0.039221144 | 36 | 0.005024182 |
| 03-10-2023 | 592.2 | -0.24145 | 0.038582953 | 37 | 0.024105864 |
| 30-05-2024 | 780.7 | 1.16620 | 0.038441107 | 38 | -0.062685424 |
| 30-03-2022 | 360.4 | -0.50755 | 0.038400667 | 39 | -0.004347182 |
| 17-01-2024 | 731.8 | 1.10439 | 0.038232304 | 40 | -0.022625682 |
| 11-10-2021 | 347.8 | -0.39455 | 0.037682478 | 41 | -0.010391828 |
| 18-09-2023 | 574.4 | 0.00931 | 0.036542451 | 42 | -0.026457109 |
| 25-10-2023 | 569.1 | 0.38697 | 0.0365176 | 43 | -0.001789685 |
| 27-04-2022 | 410.3 | 0.19303 | 0.035394899 | 44 | -0.017297365 |
| 21-10-2021 | 343.9 | -0.22965 | 0.035311849 | 45 | -0.024184547 |
| 22-12-2022 | 446.5 | 0.35700 | 0.034227634 | 46 | 0.014962589 |
| 12-08-2021 | 329.0 | -0.27508 | 0.033882309 | 47 | 0.016395502 |
| 27-01-2023 | 453.8 | 0.00077 | 0.033769206 | 48 | -0.02091797 |
| 29-12-2022 | 453.5 | -0.01196 | 0.033443316 | 49 | 0.010185104 |
| 10-11-2022 | 459.0 | 1.47443 | 0.032913949 | 50 | -0.007348078 |
| 09-02-2021 | 185.5 | -0.77688 | 0.032509054 | 51 | 0.021776993 |
| 06-05-2024 | 831.3 | 1.22566 | 0.032476358 | 52 | 0.01407036 |
| 06-12-2021 | 373.5 | -0.13531 | 0.032422786 | 53 | -0.017908913 |
| 03-04-2023 | 432.0 | -0.22134 | 0.0323274 | 54 | 0.045104024 |
| 03-08-2023 | 554.8 | -0.24801 | 0.032324005 | 55 | 0.012630618 |
| 04-01-2024 | 737.8 | 0.92116 | 0.032179084 | 56 | -0.015953227 |
| 02-06-2022 | 384.0 | -0.49998 | 0.032063306 | 57 | -0.018157561 |
| 12-03-2024 | 768.0 | 2.32157 | 0.031634076 | 58 | -0.016602233 |
| 27-05-2021 | 231.2 | -0.72484 | 0.031396159 | 59 | 0.000392674 |
| 30-04-2024 | 840.3 | 0.53189 | 0.031169424 | 60 | -0.023687614 |
| 31-05-2023 | 548.5 | -0.05365 | 0.030959792 | 61 | 0.007605211 |
| 23-08-2023 | 579.6 | -0.06226 | 0.030711755 | 62 | 0.004859869 |
| 13-07-2023 | 618.1 | 4.46229 | 0.03062842 | 63 | 0.010144971 |
| 07-09-2020 | 113.2 | -0.81160 | 0.030454545 | 64 | -0.038975404 |
| 19-06-2023 | 600.7 | 1.04330 | 0.03013439 | 65 | -0.011052879 |
| 02-08-2021 | 294.0 | -0.14874 | 0.030085769 | 66 | 0.025462718 |

# MAX HEALTHCARE INSTITUTE LTD

( MAXHEALTH | BSE Code: 543220)

## INR 822

52 Week (High - INR 910 & Low - INR 508)

## About the Company

Max Healthcare Institute Limited is primarily engaged in the providing healthcare services through primary care clinics, multi-speciality hospitals / medical centres and super-speciality hospitals providing operation and management, medical services, clinical, radiology, pathology services and related healthcare services.

## Financial Summary

**Total Assets (INR Cr.**)

**Revenue (INR Cr.**)

5,406

4,563

3,937

2,508

2021 2022 2023 2024

**Revenue (INR Cr.**)

**Net Profit (INR Cr.**)

5,406

4,563

3,937

1,104

1,058

2,508

605

2-103281

2022

2023

2024

2021 2022 2023 2024

11,051

8,866

9,645

6,259

2021 2022 2023 2024

## Return on Equity

16%

13%

10%

2021 2022 2023 2024

## Return on Assets

11%

10%

7%

2021 2022 2023 2024

## Financial Leverage

1.5x

1.5x

1.4x

1.4x

-3%

-2%

2021 2022 2023 2024

## Result Summary (Q4 2024)

**Financial Performance**

* The new hospitals have added Rs. 42 crore of revenue, Rs. 3 crore of EBITDA and a net loss of Rs. 11 crore during Q4, including one-time transaction expenses. Consequently, overall Network gross revenue stood at Rs. 1,890 crore, registering a growth of 15% year-on-year and 6% quarter-on-quarter. While Network operating EBITDA was Rs. 503 crore, a growth of 15% year-on-year and 7% quarter-on-quarter. PAT dipped marginally to Rs. 311 crore compared to Rs. 320 crore in Q4 last year, due to increase in effective tax rate having an impact of Rs. 31 crore, net loss from the new hospitals of Rs. 11 crore and movement in noncash item of fair value of contingent consideration by Rs. 25 crore, which reflects improved projected profitability for the managed hospitals.
* Average occupancy for the Network was 75%. Occupied Bed Days (OBDs) rose marginally by around 1% year-on-year and 3% quarter-on-quarter, driven largely by increased admissions under preferred channels (Cash, TPA / Insurance and International). Growth in occupancy and footfall was impacted due to capacity constraints.
* Average revenue per occupied bed (ARPOB) for the quarter improved to Rs. 78,100, growing by 10% year-on-year and 2% quarter-on-quarter.
* Institutional bed share was 29.1% compared to 29.2% last year and 29.5% in the previous quarter.
* Free cash flow from operations generated this quarter amounted to Rs. 412 crore. Of this, Rs. 176 crore was deployed

**Dupont Analysis - Return on Equity & Return on Asset**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Return on Equity (ROE)** | | | | | | | |
|  | **Mar-18** | **Mar-19** | **Mar-20** | **Mar-21** | **Mar-22** | **Mar-23** | **Mar-24** |
| Net Profit | -25.2 | -3.0 | 59.0 | -137.6 | 605.1 | 1,103.5 | 1,057.6 |
| Average Shareholder Equity | 1,178.1 | 1,063.6 | 1,758.2 | 4,095.9 | 5,960.6 | 6,846.0 | 7,908.9 |
| **Return on Equity** | **-2.13%** | **-0.28%** | **3.36%** | **-3.36%** | **10.15%** | **16.12%** | **13.37%** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **ROE - Dupont Equation** | | | | | | | |
|  | **Mar-18** | **Mar-19** | **Mar-20** | **Mar-21** | **Mar-22** | **Mar-23** | **Mar-24** |
| Net Profit | -25.2 | -3.0 | 59.0 | -137.6 | 605.1 | 1,103.5 | 1,057.6 |
| Revenue | 1,729.1 | 1,691.0 | 1,059.0 | 2,508.0 | 3,936.6 | 4,562.6 | 5,406.0 |
| **Net Profit Margin (A)** | **-1.45%** | **-0.18%** | **5.57%** | **-5.48%** | **15.37%** | **24.19%** | **19.56%** |
| Revenue | 1,729.1 | 1,691.0 | 1,059.0 | 2,508.0 | 3,936.6 | 4,562.6 | 5,406.0 |
| Average Total Assets | 3,223.8 | 3,328.0 | 3,664.1 | 6,258.6 | 8,866.3 | 9,645.5 | 11,050.9 |
| **Asset Turnover Ratio (B)** | **0.5x** | **0.5x** | **0.3x** | **0.4x** | **0.4x** | **0.5x** | **0.5x** |
| Average Total Assets | 3,223.8 | 3,328.0 | 3,664.1 | 6,258.6 | 8,866.3 | 9,645.5 | 11,050.9 |
| Average Shareholder Equity | 1,178.1 | 1,063.6 | 1,758.2 | 4,095.9 | 5,960.6 | 6,846.0 | 7,908.9 |
| **Equity Multiplier (C)** | **2.7x** | **3.1x** | **2.1x** | **1.5x** | **1.5x** | **1.4x** | **1.4x** |
|  |  |  |  |  |  |  |  |
| **Return on Equity (A\*B\*C)** | **-2.13%** | **-0.28%** | **3.36%** | **-3.36%** | **10.15%** | **16.12%** | **13.37%** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Return on Asset (ROA)** | | | | | | | |
|  | **Mar-18** | **Mar-19** | **Mar-20** | **Mar-21** | **Mar-22** | **Mar-23** | **Mar-24** |
| Net Profit | -25.2 | -3.0 | 59.0 | -137.6 | 605.1 | 1,103.5 | 1,057.6 |
| Average Total Assets | 3,223.8 | 3,328.0 | 3,664.1 | 6,258.6 | 8,866.3 | 9,645.5 | 11,050.9 |
| **Return on Assets** | **-0.78%** | **-0.09%** | **1.61%** | **-2.20%** | **6.82%** | **11.44%** | **9.57%** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **ROA - Dupont Equation** | | | | | | | |
|  | **Mar-18** | **Mar-19** | **Mar-20** | **Mar-21** | **Mar-22** | **Mar-23** | **Mar-24** |
| Net Profit | -25.2 | -3.0 | 59.0 | -137.6 | 605.1 | 1,103.5 | 1,057.6 |
| Revenue | 1,729.1 | 1,691.0 | 1,059.0 | 2,508.0 | 3,936.6 | 4,562.6 | 5,406.0 |
| **Net Profit Margin (A)** | **-1.45%** | **-0.18%** | **5.57%** | **-5.48%** | **15.37%** | **24.19%** | **19.56%** |
| Revenue | 1,729.1 | 1,691.0 | 1,059.0 | 2,508.0 | 3,936.6 | 4,562.6 | 5,406.0 |
| Average Total Assets | 3,223.8 | 3,328.0 | 3,664.1 | 6,258.6 | 8,866.3 | 9,645.5 | 11,050.9 |
| **Asset Turnover Ratio (B)** | **0.5x** | **0.5x** | **0.3x** | **0.4x** | **0.4x** | **0.5x** | **0.5x** |
|  |  |  |  |  |  |  |  |
| **Return on Asset (A\*B)** | **-0.78%** | **-0.09%** | **1.61%** | **-2.20%** | **6.82%** | **11.44%** | **9.57%** |
| **Dupont Summary** |  |  |  |  |  |  |  |

* **Return on Equity :** ROE of Max Healthcare was showing negative return till March 2021 (-3.36%) but from March 2022 it has become positive and on March 2023 it has achievd highest ROE of 16.12% and now in March 2024 its has 13.37% ROE.
* **Net Profit Margin :** From March 2018 to March 2021 it has negative NP margin but from March 2022 it has become positive and now its 19.56% (Mar 2024).
* **Asset Turnover Ratio:** Varied from 0.5x (2018) to 0.5x (2024).
* **Equity Multiplier :** This has been decreased from 2.7x (2018) to 1.4x (2024).
* **Return on Assets :** From March 2018 to March 2021 it has negative ROA margin but from March 2022 it has become positive and now its 9.57% (Mar 2024).

# Altman's Z Score



**MAX HEALTHCARE INSTITUTE LTD**

**( MAXHEALTH | BSE Code: 543220)**

## Summary

## Working Capital/Total Assets

**Revenue (INR Cr.**)

12,000

10,102

8,543 9,189

2021 2022 2023 2024

8%

3%

2%

0%

2021 2022 2023 2024

**Retained Earning/ Total Assets**

9%

## EBIT/Total Assets

10% 10%

8%

3%

5%

6%

0%

2021 2022 2023 2024

2021 2022 2023 2024

## Market Cap/Long Term Liabilities

6216% 6128%

3691%

1804%

## Sales/ Total Assets

43% 45% 45%

29%

## Altman's Z Score

38 38

23

11

2021 2022 2023 2024

2021 2022 2023 2024

2021 2022 2023 2024

**Altman's Z Score Analysis Calculation**

**Working Capital/Total Assets**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Mar-18** | **Mar-19** | **Mar-20** | **Mar-21** | **Mar-22** | **Mar-23** | **Mar-24** |
| Working Capital | -121.1 | -314.0 | 367.3 | 176.3 | 26.6 | 806.9 | 368.2 |
| Total Assets | 3,301.5 | 3,354.5 | 3,973.7 | 8,543.5 | 9,189.1 | 10,101.9 | 11,999.9 |
| **Working Capital/Total Assets (A)** | **-3.67%** | **-9.36%** | **9.24%** | **2.06%** | **0.29%** | **7.99%** | **3.07%** |

**Retained Earnings/Total Assets**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Mar-18** | **Mar-19** | **Mar-20** | **Mar-21** | **Mar-22** | **Mar-23** | **Mar-24** |
| Retained Earnings | 0.0 | 0.0 | 0.0 | 8.0 | 494.9 | 867.2 | 733.8 |
| Total Assets | 3,301.5 | 3,354.5 | 3,973.7 | 8,543.5 | 9,189.1 | 10,101.9 | 11,999.9 |
| **Retained Earnings/Total Assets (B)** | **0.00%** | **0.00%** | **0.00%** | **0.09%** | **5.39%** | **8.58%** | **6.11%** |

**EBIT/Total Assets**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| EBIT | 19.0 | 53.4 | 48.0 | 233.3 | 729.6 | 1,008.3 | 1,247.1 |
| Total Assets | 3,301.5 | 3,354.5 | 3,973.7 | 8,543.5 | 9,189.1 | 10,101.9 | 11,999.9 |
| **EBIT/Total Assets (C)** | **0.57%** | **1.59%** | **1.21%** | **2.73%** | **7.94%** | **9.98%** | **10.39%** |

**Market Cap/Long Term Liabilities**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Market Cap | 0.0 | 0.0 | 0.0 | 19,874.3 | 33,708.6 | 42,827.4 | 79,606.0 |
| Long Term Liabilities | 980.5 | 1,002.8 | 874.7 | 1,101.4 | 913.4 | 689.0 | 1,299.0 |
| **Market Cap/Long Term Liabilities (D)** | **0.00%** | **0.00%** | **0.00%** | **1804.44%** | **3690.54%** | **6216.24%** | **6128.49%** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | | **Sales/Total** | **Assets** |  | | | |
|  | **Mar-18** | **Mar-19** | **Mar-20** | **Mar-21** | **Mar-22** | **Mar-23** | **Mar-24** |
| Total Sales | 1,729.1 | 1,691.0 | 1,059.0 | 2,508.0 | 3,936.6 | 4,562.6 | 5,406.0 |
| Total Assets | 3,301.5 | 3,354.5 | 3,973.7 | 8,543.5 | 9,189.1 | 10,101.9 | 11,999.9 |
| **Sales/Total Assets (E)** | **52.37%** | **50.41%** | **26.65%** | **29.36%** | **42.84%** | **45.17%** | **45.05%** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Altman's Z Score** | | | | | | | |
|  | **Mar-18** | **Mar-19** | **Mar-20** | **Mar-21** | **Mar-22** | **Mar-23** | **Mar-24** |
| Final Score | 0.5 | 0.4 | 0.4 | 11.2 | 22.9 | 38.3 | 37.7 |

**Financial Stability *Distressed Distressed Distressed Strong Strong Strong Strong***

***Disclaimer:*** *This report is made as part of educational assignment and is meant for educational purpose only. The author of the report is not liable for any losses due to actions taken basis on this report. It is advisable to consult SEBI registered research analyst before making any invetsments.*