Healthcare newsletter

Q1FY27 update

The better the question. The better the answer. The better the world works.

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Q1FY27
Themes in the healthcare sector

Healthcare providers accelerate capacity expansion, with significant bed additions and commissioning activity across hospital networks

1

Strong volume growth and improving realizations support double-digit revenue growth; margins moderated by new asset ramp-up and acquisition integration

2

Increasing focus on high-acuity specialties, complex procedures and advanced diagnostics continues to enhance revenue quality

3

Among various measures proposed, recently released Parliamentary Committee Report recommends greater standardization and rationalization of healthcare costs to improve affordability and reduce patient OOPE

4

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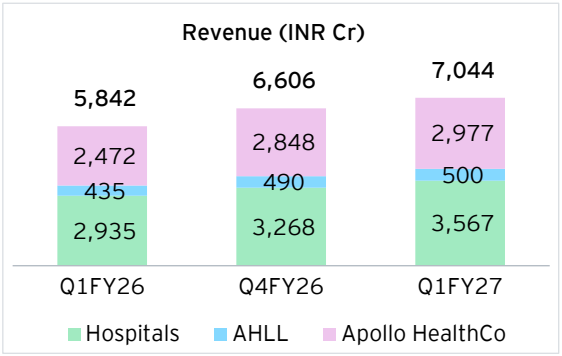
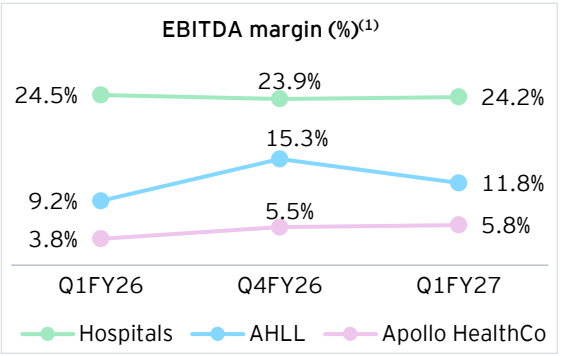
Q1FY27 results update: Pan-India hospitals (1/4)

Apollo Hospitals Enterprise Limited (1)

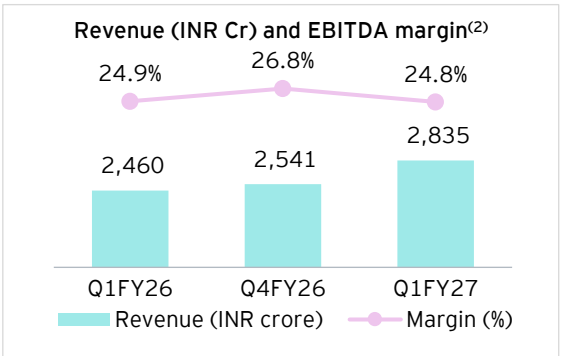


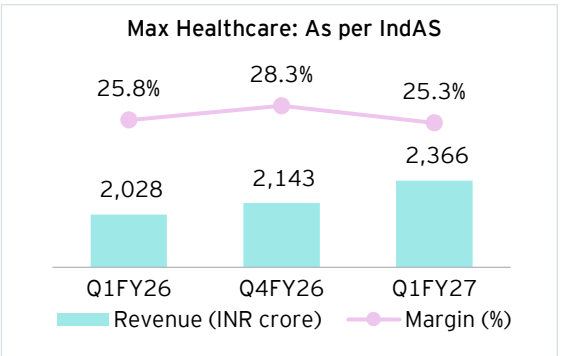


ARPP[3] (INR)	1,72,300	1,87,000	1,86,600
ALOS	3.1	3.2	3.1

- At the Group level, revenues grew by 21% y-o-y, with all three divisions (i.e., Hospitals, Apollo Health and Lifestyle Limited (AHLL) and Apollo HealthCo) delivering double-digit top-line growth. Healthcare Services revenue grew 22% y-o-y driven by 13% volume growth and ~8% pricing growth
- Healthcare Services EBITDA grew 20% y-o-y, with margins at 24.2%, supported by operating leverage and a favourable clinical mix. Established hospitals delivered EBITDA margins of 25.9%, partly offset by ramp-up losses from newly commissioned hospitals.
- Apollo commissioned 5 new hospitals across Q4FY26 and Q1FY27 (~1,000 census beds) with 380 beds operationalized and the remaining 620 beds scheduled for phased activation over the next 12-18 months. The company plans to expand total census capacity from 9,857 beds to ~14,100 beds, supported by a total expansion capex of ~INR 11,150 crore, of which ~INR 7,500 crore remains to be spent.
- Strategic restructuring of Apollo HealthCo and AHLL- Cloudnine transaction continue to progress.

Max Healthcare Institute Limited





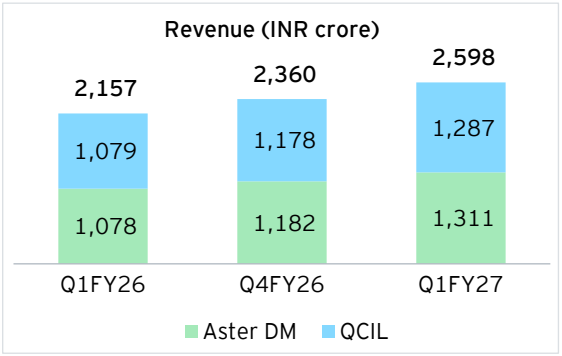
ARPOB[3] (INR)	78,000	77,900	81,900
ALOS	4.0	4.2	4.1

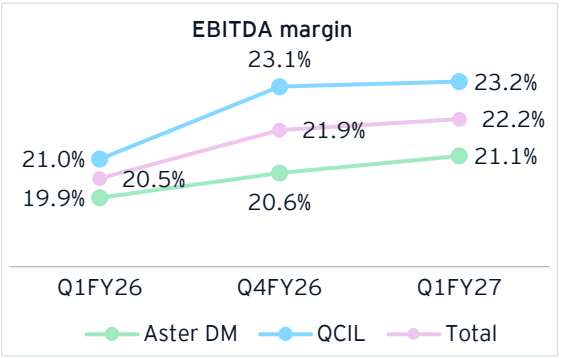
- Network net revenue grew 15% y-o-y primarily driven by higher occupied bed days, while international patient revenue increased 18% y-o-y to INR 247 crore, contributing ~9% of hospital revenue.
- EBITDA increased 15% y-o-y with margin at 24.8%, impacted by recently commissioned brownfield capacity and the Kalinga Hospital acquisition
- Max completed the acquisition of Kalinga Hospital, Bhubaneswar for ~INR 298 crore and acquired land for the proposed 450-bed Pune hospital. Additionally, ~200 beds have been operationalized at the Max Smart brownfield tower, with the remaining ~200 beds slated for commissioning in Q2FY27,
- Further, the Board approved INR 425 crore capex for a 202-bed expansion at Max Vaishali

Source: Company website and stock exchange filings, EBITDA reported on a post-IndAS basis; (1) EBITDA for Apollo HealthCo inclusive of 24/7 operating cost and ESOP charge; AHLL: Apollo Health & Lifestyle Ltd; (2) For Network Hospitals of Max Healthcare Limited; (3) Reported on an approximate basis

Q1FY27 results update: Pan-India hospitals (2/4)

Aster DM Healthcare Limited + Quality Care India Limited

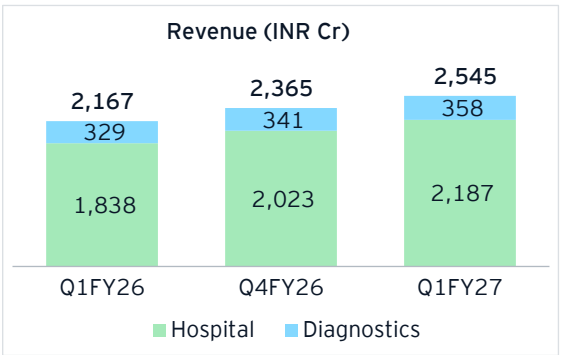


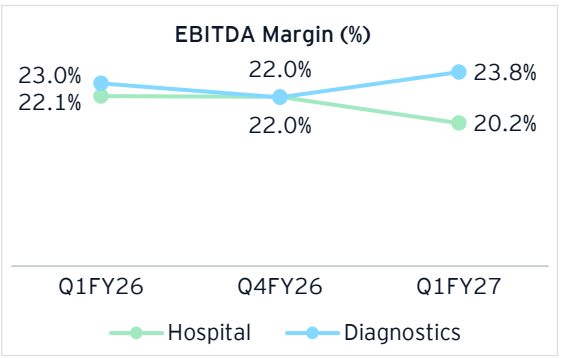


	Aster DM			QCIL		
ARPP[2] (INR)	1,18,000	n.a.	1,30,300	1,31,800	n.a.	1,44,000

- Combined revenue grew 20% y-o-y on a proforma basis, supported by 13% patient volume growth, 10% ARPP IP growth and increase in CONGO mix
- Combined operating EBITDA increased 30% y-o-y, with EBITDA margin improving by 170 bps to ~22%, reflecting operating leverage, through material cost savings, and improved fixed cost absorption
- The Aster DM and Quality Care merger became effective on July 1, 2026, forming Aster DM Quality Care Limited
- Aster DM:
  - Revenue grew 22% y-o-y and operating EBITDA grew 29% y-o-y, driven by higher patient volume, improved realisation, stronger specialty mix, and the ramp-up of Kasargod unit
- Quality Care:
  - 19% revenue growth, equally supported by ARPP growth and higher volumes
  - EBITDA margin improved by 220 bps y-o-y
- Expanded capacity through the commissioning of the 159-bed Women & Child block at Aster Whitefield in April'26
- Combined platform has planned addition of ~4,200 beds by FY30, thereby making it a 15,000-bed network

Fortis Healthcare Limited [1]





ARPOB[2] (INR)	72,600	70,100	74,250	ALOS	4.1	4.3	4.2

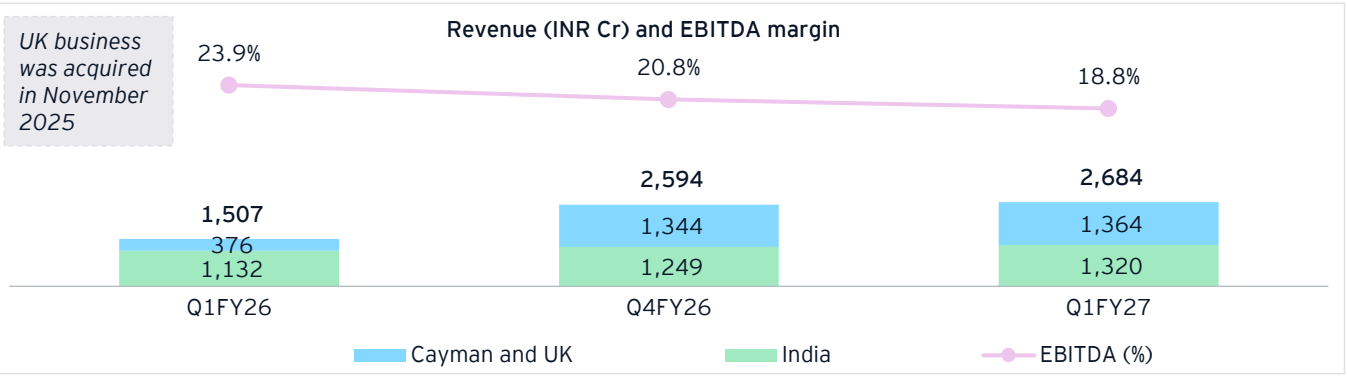
- Hospital business revenue increased by 19.0% y-o-y, driven by a moderate improvement in ARPOB and a ~17% increase in occupied beds from ~2,930 beds in Q1FY26 to ~3,400 beds Q1FY27
- Operating EBITDA grew by ~15% y-o-y; however, margins moderated due to the impact of recently acquired hospitals in Punjab and Bengaluru, along with the leased facility in Delhi NCR
- Added ~100 operational beds through brownfield expansion, primarily across Noida, Amritsar and Jalandhar; also entered into an O&M agreement for a 300-bed greenfield multi-specialty hospital in Cuttack.

Source: Company website and stock exchange filings, EBITDA reported on a post-IndAS basis; (1) EBITDA for Fortis is inclusive of ESOP charge for Q1FY27 (2) Reported on an approximate basis

Q1FY27 results update: Pan-India hospitals (3/4)

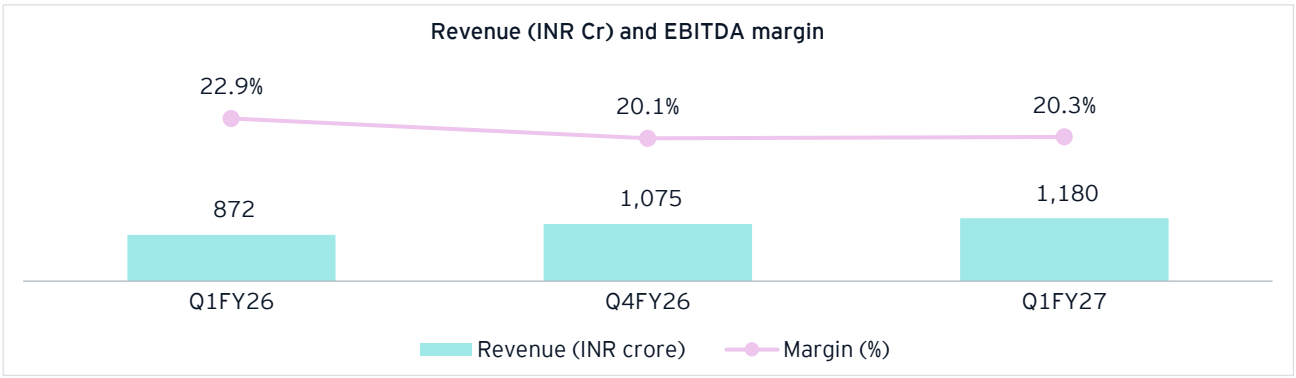
Narayana Hrudayalaya Limited [1]

UK business was acquired in November 2025



- India operations grew 16.6% y-o-y and EBITDA rose 40.0% y-o-y, supported by higher volumes of advanced procedures, increased use of robotics and technology, better realizations, and strong patient inflow aided by the expanding clinic network.
- Cayman Islands revenue grew 5% y-o-y despite seasonal weakness in Q1FY27, supported by healthy growth in patient volumes and benefits from the integrated care model while the U.K. business faced temporary operational disruptions from an extreme heatwave
- Insurance losses increased due to a few large claims in a small portfolio; management expects loss ratios to improve through AI-led claims management, stronger controls, and a focus on higher-margin SME and retail segments.
- NH is expanding capacity from 5,775 beds to 7,600+ beds by FY30, with ~1,535 beds planned across Bengaluru, Kolkata and Raipur through a mix of greenfield, lease and acquisition

Krishna Institute of Medical Sciences



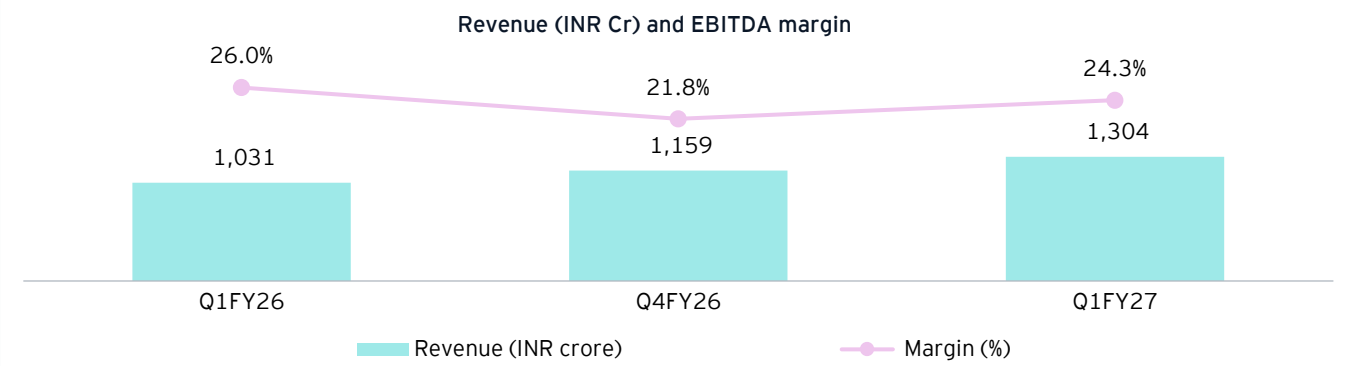
ARPOB[2] (INR)	43,000	47,100	47,200
ALOS	3.6	3.6	3.5

- Revenue and EBITDA grew 35.3% and 20.1% y-o-y, respectively, driven by strong operational performance, with IP volume and OP volume increasing 26.6% and 28.5% y-o-y, respectively.
- Bed capacity increased by ~1,000 beds, with new units added in Kondapur (~800 beds) and Palakkad (~200 beds) during Q1FY27
- Management reports that all newly commissioned units are performing well, with the Bangalore cluster (Mahadevpura & Electronic City) achieving break-even in 3 - 4 quarters. New units are also witnessing complex surgeries, thereby reinforcing quality clinical expertise and infrastructure at these centres
- Strengthened balance sheet through an oversubscribed INR 1,500 crore QIP and INR 600 crore promoter infusion, with INR 1,100 crore of QIP proceeds already deployed toward debt reduction.

Source: Company website and stock exchange filings, EBITDA reported on a post-IndAS basis; (1) Amongst operating metrics, only ALOS is reported for India business and therefore, not presented; (2) Reported on an approximate basis

Q1FY27 results update: Pan-India hospitals (4/4)

Global Health Limited (Medanta)



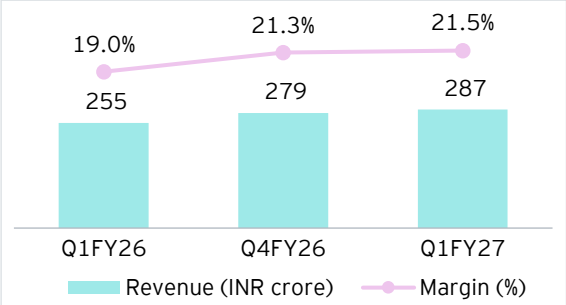
ARPOB[1] (INR)	66,000	66,700	70,200

- Revenue from operations grew 26.5% y-o-y , driven by increased demand across key specialties and higher case complexity. Growth was bolstered by ramp-up of Medanta Noida and sustained momentum across the established hospital network
- Inpatient and outpatient volumes increased ~28% and ~34%, respectively, while reported EBITDA increased~ 23% y-o-y with EBITDA margin at ~24%
- ARPOB grew by 5% year-on-year to INR 70,200, supported by favorable case mix, increasing contribution from high acuity specialties and improvement in operational efficiency.
- 72 beds were added during the quarter, including 51 beds at Noida and 21 beds at Lucknow. The Guwahati project has been scaled up from the earlier 400+ bed plan to a 650-bed super-specialty hospital
- Over the next 5 years, capacity is expected to increase to ~7,000 beds, from the current ~3,700 beds, with expansion plans across north and north-east India

Source: Company website and stock exchange filings, EBITDA reported on a post-IndAS basis; (1) Reported on an approximate basis

Q1FY27 results update: Other hospital chains

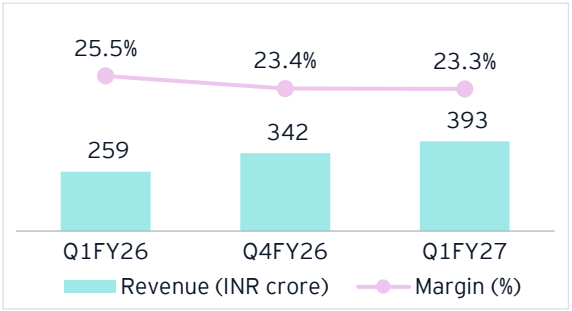
Artemis Medicare Services Limited



ARPOB[1] (INR)	79,752	84.600	85,690

- Revenue grew by 12.7% y-o-y, supported by growth in cardiology, oncology, neurosciences and orthopaedics, along with continued improvement in case mix and higher contribution from complex procedures
- BITDA increased 27.9% y-o-y, while EBITDA margin expanded 256 bps y-o-y to 21.5%, reflecting strong operating leverage and sustained improvement in operational efficiency
- Expanded capacity with the commissioning of the 300-bed Raipur hospital and planned addition of 200+ beds at Gurugram through Tower 4.
- Received shareholder approval for the proposed QIP, enhancing financial flexibility to support the company's expansion plans

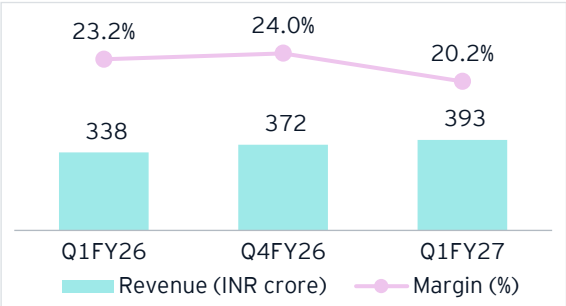
Yatharth Hospital and Trauma Limited



ARPOB[1] (INR)	32,400	33,300	34,760

- Revenue increased 51.5% y-o-y, supported by the continued scale-up of newer hospitals, with new facilities contributing 27% of revenue during the quarter. In addition growth was further driven by a 7% y-o-y increase in ARPOB and an improving specialty mix across the hospital network.
- EBITDA increased 39.0% y-o-y; however, reported EBITDA margin declined due to ramp-up losses from the Model Town and Faridabad Sector-20 hospitals. Adjusted EBITDA margins (excluding new hospital losses) stood at 28.1%
- The 250-bed Gurugram hospital is slated to commence operations in Q1 FY28, while management reiterated its target of surpassing 5,000 beds over the next 3 years.

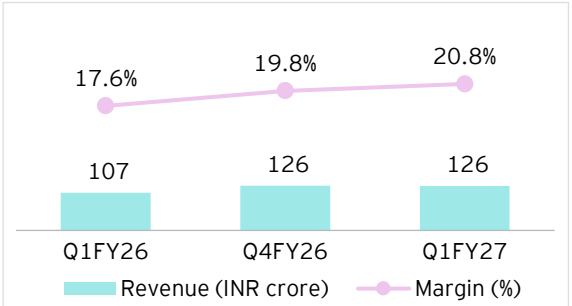
Jupiter Life Line Hospitals Limited



ARPOB[1] (INR)	67,300	n.a.	73,500

- Revenue grew 16.2% y-o-y, while ARPOB rose to INR 73,500 driven by case-mix improvement and ongoing insurance contract repricing
- EBITDA margins were ~20%; EBITDA was impacted by the initial ramp-up loss of INR 9.5 crore at Dombivli and higher launch-related marketing costs.
- Expansion projects at Pune South, Mira Road and BKC remain on track, supporting planned capacity expansion to ~2,900 beds.
- The company recently acquired an IV fluids manufacturing unit as a backward integration initiative to enhance pharmacy operations and improve cost efficiencies

GPT Healthcare Limited



ARPOB[1] (INR)	38,913	n.a.	42,350

- Revenue from operations grew 18.2% while EBITDA increased 37.9% y-o-y driven by healthy patient volumes, improved occupancy and a favourable case mix across mature hospitals, with newer facilities continuing to ramp up in line with expectations.
- ARPOB improved to INR 42,350, driven by a favourable clinical mix and continued operational efficiency improvements.
- Jamshedpur 155-bed hospital remains scheduled for commissioning in Q4FY27.

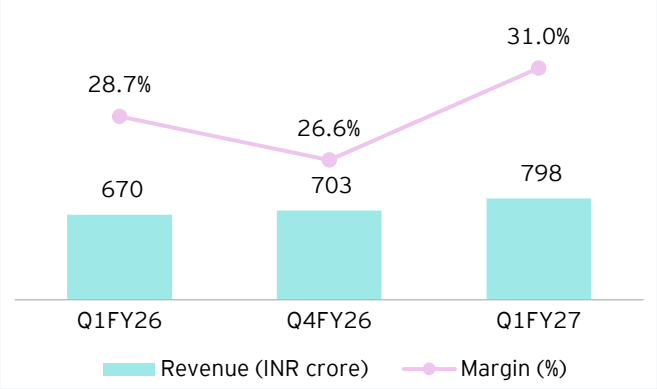
Source: Company website and stock exchange filings; EBITDA reported on a post-IndAS basis; (1) Reported on an approximate basis

02

Q1FY27 results update: **Diagnostics chains**

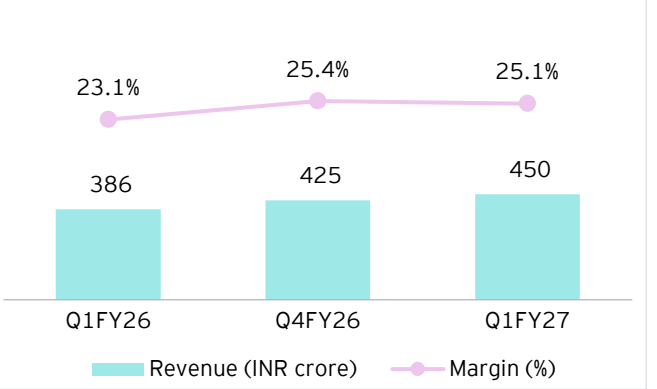
Q1FY27 results update: Diagnostics chains (1/2)

Dr. Lal PathLabs Limited



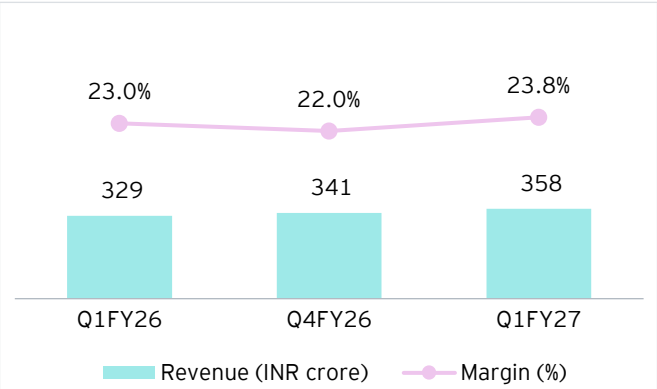
- Q1FY27 revenue increased 19.1% y-o-y, driven by patient volume growth of 8.2% and sample volume growth of 10.7%;
- EBITDA increased ~29% supported by 10% y-o-y growth in revenue per patient, favourable test & geographic mix
- Company's bundled (and preventive) testing offering, branded as SwasthFit, contributed ~27% of revenue in Q1FY27 (similar to Q1FY26)
- Launched 116 new tests, including four first-in-India offerings, and plans to add 12–15 labs in FY27
- Approved two strategic acquisitions, one being a diagnostics company in Ghana, and another healthcare innovation company based in India.

Metropolis Healthcare Limited



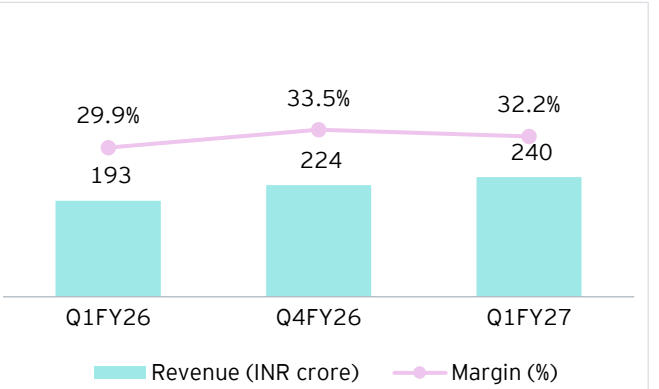
- Revenue grew 17% y-o-y supported by 11% test volume growth and ~6% growth in ARPP; EBITDA grew 27% y-o-y with margin stable at ~25%
- B2C and B2B mix - 57:43 (v/s 59:41 in Q1FY26)
- Specialty diagnostics and TrueHealth (viz. bundled / preventive offerings) continued to perform strongly, maintaining 40% and ~18% revenue contribution
- Added more than 500 service centers over the last 12 months, including 300 centers in Q1FY27
- Management stated it remains on track to add more than 500 centers during FY27, taking the total to ~5,500 service points across 750+ towns

Agilus/SRL Diagnostics Limited



- Gross revenue grew ~10.2% y-o-y while operating EBITDA increased ~15% y-o-y, supported by a richer test mix and operating leverage.
- Conducted 10.5 million tests; the B2C:B2B mix stood at 53:47. Added over 200 new customer touchpoints in Q1FY27.

Thyrocare Technologies Limited

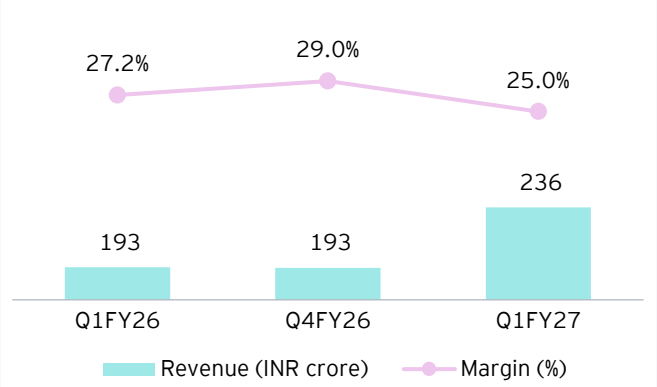


- Revenue grew 24% y-o-y aided by ~27% y-o-y growth in pathology. Radiology revenue declined ~4% y-o-y due to consolidation of centers.
- Revenue growth y-o-y was largely driven by volume growth of ~28% and EBITDA remained stable at ~32%
- The company reported 11,700+ quarterly active franchisees and launched a Regional Processing Laboratory in Muzaffarpur and Hybrid Labs in Prayagraj and Kurnool.
- Thyrocare broadened its diagnostics portfolio through the launch of specialty diagnostics services in allergy testing and genomics.

Source: Company website and stock exchange filings; EBITDA reported on a post-IndAS basis

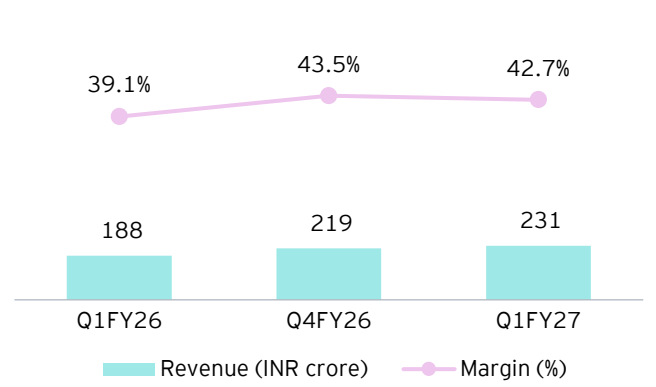
Q1FY27 results update: Diagnostics chains (2/2)

Krsnaa Diagnostics Ltd



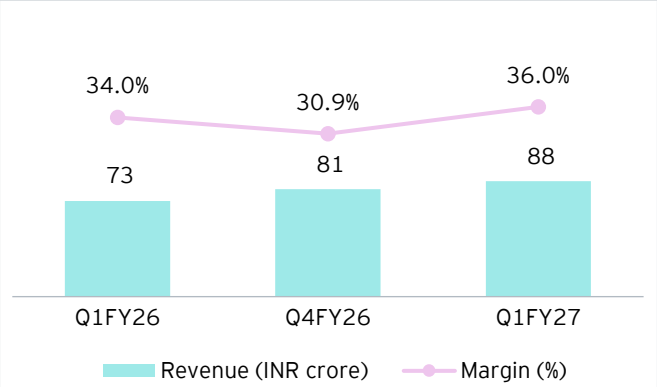
- Revenue grew 22% YoY, driven by operationalisation of the Rajasthan project in Q1FY27.
- EBITDA increased 12% y-o-y while margin moderated to 25% due to upfront costs related to Rajasthan laboratories, equipment, manpower and logistics.
- In addition to the Rajasthan roll-out, Company commissioned 8 MRI centres in Maharashtra (against a pipeline of 17 centres).
- Company secured the Himachal Pradesh CT project covering 34 CT centres and commenced operations at Apulki Hospital, Pune, where it has exclusive diagnostic rights.

Vijaya Diagnostic Centre Limited



- Revenue grew ~23% y-o-y, while EBITDA increased 34% y-o-y supported by strong volume growth of ~16.5%, a favourable shift in test mix, and improved realizations **(~8%)**
- Commissioned 4 spokes across Hyderabad, Visakhapatnam, Nellore and Pune during the quarter, and commissioned the Gachibowli, Hyderabad hub in April 2026
- The company plans to commission 9 hub centres and 10-12 spoke centres over the next 12 months, with a planned capex of INR 190-195 crore.

Suraksha Diagnostic Limited



- Revenue from operations grew ~21% y-o-y, while EBITDA increased ~28% y-o-y, driven by higher patient volumes (~18%), improved revenue per patient(~1%) and increase in number of tests (~9%).
- ~91% of revenue was B2C. Strong growth witnessed in the initially launched genomics segment.
- The network expanded to 72 centres following the addition of 1 hub and 3 spoke centres during Q1FY27. Management remains on track to scale the network to 100 centres by FY28 and has guided for FY27 capex of INR 70-80 crore.

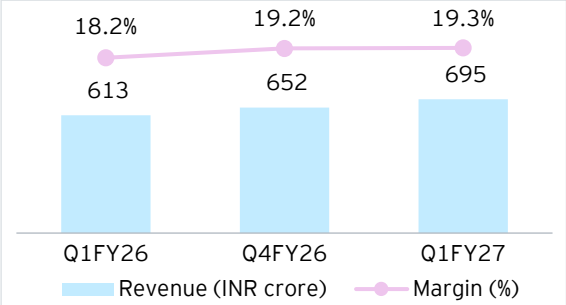
Source: Company website and stock exchange filings; EBITDA reported on a post-IndAS basis

03

Q1FY27 results update: **Specialty hospitals and medical devices**

Q1FY27 results update: Single specialty hospitals and medical devices

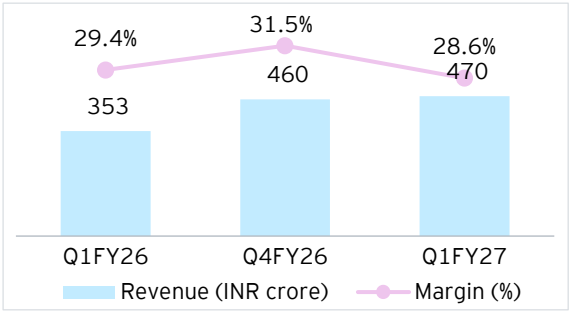
HealthCare Global Enterprises Limited



ARPP[1] (INR)	n.a.	85,100	85,950

- Revenue grew 13.4% y-o-y and adjusted EBITDA increased 19.7% y-o-y, with EBITDA margin at ~19%, driven by 11% growth in patient volumes and 2% improvement in ARPP.
- Expanded capacity by 121 beds in Q1FY27 across regions. Management targets capacity of ~3,670 beds by FY30, with ~60% of the expansion driven by brownfield projects and 3 greenfield projects in the pipeline.
- Management indicated FY27 capex of ~₹150 crore, targeted towards adding ~200 beds (~100 in North Bangalore and rest as brownfield expansions across India) in FY27 and 2 LINACS, while continuing investments in clinical capabilities and advanced technologies.
- Company completed strategic exit from Milann with focus shifting to core oncology.

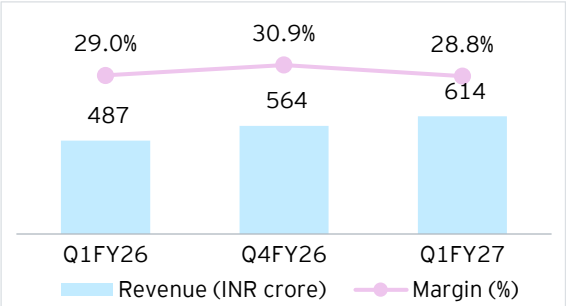
Rainbow Children's Medicare Limited



ARPOB[1] (INR)	63,300	62,500	67,200

- Revenue grew 33% y-o-y and EBITDA increased 30% y-o-y, with a 28.6% EBITDA margin, driven by strong performance across mature, acquired and newly commissioned hospitals.
- IP discharges, OP consultations and deliveries grew 28%, 25% and 23%, respectively.
- Bed capacity increased 26% y-o-y to 2,435 beds; targeting 5,000 beds over five years with ~INR 2,200 crore capex and ~1,200 beds under development.
- Expanded footprint through a 100-bed hospital acquisition in Malad, acquisition of Prime Children's Hospital (Nellore), and a 50-bed leased hospital in Guntur

Dr Agarwals Health Care Ltd

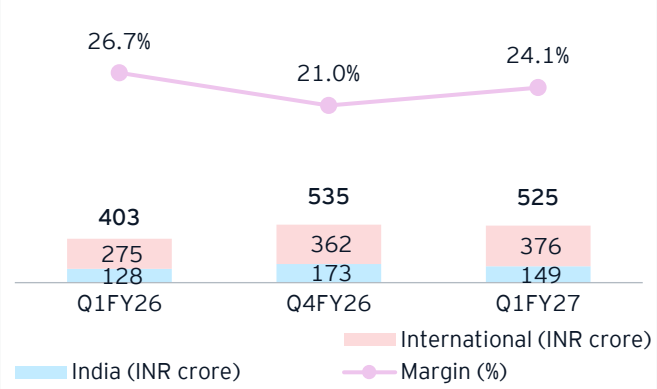


- Revenue from operations grew 26% y-o-y and 8.8%, driven by a balanced contribution from volume growth and realization improvement, along with support from new centers
- EBITDA increased 25.2% y-o-y despite higher greenfield losses driven by 23 surgical facilities launched over the last six months.
- Expanded its network to 285 facilities across 14 states and 5 union territories through the addition of 18 new facilities, including 16 surgical centers, during Q1FY27.
- Scheme of Amalgamation between Dr. Agarwal's Eye Hospital Limited and Dr. Agarwal's Health Care is expected to close around mid-November

Source: Company website and stock exchange filings; EBITDA reported on a post-IndAS basis; (1) Reported on an approximate basis

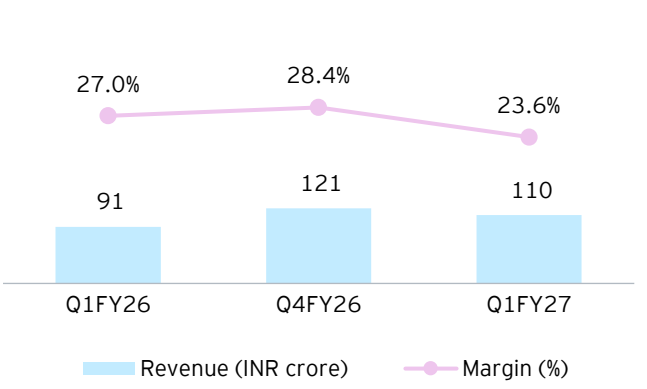
Q1FY27 results update: Single specialty hospitals and medical devices

Poly Medicure Limited



- Revenue from operations increased 30.3% y-o-y, with domestic revenue growing 16.2% y-o-y and international revenue growing 36.7% y-o-y.
- Organic revenue (excluding acquisitions) ~12%, while the remaining was driven via recent acquisitions of PendraCare and Citieffe
- Organic business growth was partly offset by decline in Middle East revenue due to the West Asia conflict along with some pricing pressure from Chinese competitors
- EBITDA margin improved q-o-q, driven by price hikes, a favorable product mix, inventory gains, and higher-margin acquisitions. However, margins declined y-o-y due to higher employee costs and other operating expenses
- In Q1FY27, PendraCare remained impacted by Middle East market disruptions (~20% exposure), while Citieffe delivered mid- to high-single-digit growth in line with expectations
- The company reported two upcoming plants and 25-30 new product launches by 2030

Tarsons Products Limited



- Consolidated revenue increased 20.7% y-o-y led by healthy growth across product segments and geographies, including 17% growth in domestic revenue and 29% growth in exports
- EBITDA margins declined by 340 bps, impacted by elevated polymer prices arising from supply chain disruptions caused by geopolitical challenges, along with higher commissioning and operating expenses related to new facilities.
- A significant portion of capex planned has been deployed with ~INR 180 crore as CWIP/capital advance. The same is expected to be commissioned by Q2-Q3FY27, positioning the company for improved capacity utilization and operating leverage.

Source: Company website and stock exchange filings; EBITDA reported on a post-IndAS basis


Surgery Waiting
Elevator

04

Parliamentary committee report on the healthcare sector **Key Findings**

Parliamentary Committee recommendations (1/3)

About the report

The Parliamentary Standing Committee's report on Affordability and Accessibility of Healthcare outlines an extensive set of recommendations aimed at reducing out-of-pocket healthcare expenditure, expanding financial protection, strengthening public healthcare infrastructure, and increasing regulatory oversight of private healthcare. While the report covers a broad spectrum of healthcare issues, key recommendations are centred around healthcare pricing regulation, insurance expansion, public capacity creation, and technology-enabled healthcare delivery. Key recommendations of the Parliamentary Standing Committee are as follows:

Patient pricing, access and protection

- Formulation of a **structured cross-subsidization policy**, wherein large corporate hospitals benefiting from government concessions should be required to utilize a portion of revenues generated from international and high-net-worth patients to provide cross-subsidized advanced tertiary care for economically weaker domestic patients as is the case in several countries.

  In addition, these **institutions must be mandated to allocate a defined quota of beds for empanelment under national health insurance schemes** at standardized, regulated package rates.

- **Elimination of room rent-linked inflation models for standard procedures across all private hospitals.**

- **Room charges for a hospital should not exceed the average room tariffs prevailing in three-star hotels in the peripheral area** or vicinity of the hospital.

  Resident doctor cost, nursing cost, disposable costs of consumables, meal charges and laundry charges can be added to the basic room tariff so that the entire cost is rationalized.

- Existing regulatory framework should formulate a mechanism to **standardize and cap the costs of essential treatments, diagnostics and routine procedures across all private hospitals.**

  Further, the Committee emphasizes on establishing **national ceiling prices for high-volume diagnostic procedures**, including PET-CT, MRI and genetic profiling. The Committee also recommends that the government institute **stringent regulatory mechanisms to standardize and cap pricing across private healthcare facilities**, including retail pharmacies.

- The Government of India ("Government") must **mandate absolute price transparency prior to admission** and establish a **unified, fast-track grievance redressal ombudsman specifically designed to audit excessive billing** and resolve insurance claim disputes in the private sector.

- The Government should **establish Jan Aushadhi Kendras within the premises of all District Hospitals, CHCs, and large private hospitals empaneled under government schemes.**

- **Immediate and absolute statutory price capping for all medical devices classified as 'Priority I'**. This categorization must trigger automatic regulatory intervention to fix the maximum retail price, similar to the successful interventions previously applied to coronary stents and knee implants.
- To implement guidelines requiring private empaneled hospitals to adopt centralized, transparent tender-based procurement systems to **strictly cap the internal mark-ups levied on life-saving consumables and medical devices** at a mutually agreed-upon ceiling, **such as the 20% margin observed in proactive institutions.**

Source: Department-related Parliamentary Standing Committee on Health & Family Welfare, Report No. 176, "Affordability and Accessibility of Healthcare Facilities in Public and Private Sector" (August 2026)

Parliamentary Committee recommendations (2/3)

Insurance and provider reimbursement

- The Government must **broaden the scope of existing national health insurance schemes to include comprehensive coverage for outpatient treatments and diagnostics.**
- The Committee stated that it also acknowledges that rising operational costs for medical supplies, medications, and state-of-the-art equipment, combined with rational government price caps under schemes like Ayushman Bharat and CGHS threaten financial sustainability.

  Therefore, **it proposed that package rates under government schemes must be periodically rationalized to reflect realistic, rising operational costs**, ensuring that private facilities can maintain high-quality care without facing systemic revenue instability

  Further, the Committee also recommended conducting a comprehensive, inflation-indexed revision of empanelment package rates under PM-JAY and government health schemes, **wherein reimbursement structures must factor in capital depreciation, specialty infrastructure, and modern oncology protocols to ensure financial viability** and encourage widespread private sector empanelment.
- The Government must **institute a strict, statutory timeframe for the processing and clearing of hospital dues under all state and central health schemes.**
- **IRDAI to institute a rigorous compliance audit framework to ensure absolute adherence to the mandated three-hour turnaround time for cashless discharge** approvals to eliminate hospital exit delays.

  Further, the Committee also recommends that **IRDAI mandate the integration of comprehensive Outpatient Department (OPD) coverage into standard health insurance frameworks.**

Tax, input costs and public financing

- **Reclassify healthcare services from 'GST Exempt' to 'Zero-Rated GST (0%)' framework, enabling hospitals to claim Input Tax Credit** on medical equipment, consumables, and specialized infrastructure, thereby directly lowering overall operational costs.
- Granting a complete **0-5 year corporate tax exemption to global medical equipment manufacturers that establish full-scale manufacturing facilities within India** with the rider of mandating component localization.
- **Full GST waiver on low-cost group health insurance premiums up to a specific designated cap per life covered.**
- **Strategic revision of the NHP target, mandating a rapid escalation of government health expenditure to 5% of GDP over the next five years.**
- **Formulation of a rationalized tariff structure to significantly reduce or eliminate customs duties, cesses, and allied levies on advanced, life-saving 306 medical equipment** and their critical components.
- Further, it proposed **reclassifying hospitals under an essential service category rather than an industrial category** for the purpose of statutory 308 licenses, utility tariffs, and operational fees, thereby facilitating a direct reduction in the overhead costs passed on to patients.

Source: Department-related Parliamentary Standing Committee on Health & Family Welfare, Report No. 176, "Affordability and Accessibility of Healthcare Facilities in Public and Private Sector" (August 2026)

Parliamentary Committee recommendations (3/3)

Infrastructure and quality

- **Mandatory bed-reservation quota for BPL, EWS and PM-JAY patients in private hospitals from the current 10% to 20%**, with strict and uniform enforcement across all private hospitals nationwide.
- **Hospitals benefiting from subsidized land must be mandated to dedicate a fixed percentage of their beds capacity up to 20% of the total beds capacity of the hospital for outpatient services**, especially to economically weaker sections at strictly capped and government-approved rates.
- Relying solely on voluntary **NABH accreditation is insufficient**; hence, **a mandatory quality-assurance and price-transparency framework must be implemented across the country for all private clinical establishments** to ensure standardized treatment protocols and protect patients from monetarily exploitation.
- The Committee recommended conducting a comprehensive, inflation-indexed revision of empanelment package rates under PM-JAY and government health schemes, **wherein reimbursement structures must factor in capital depreciation, specialty infrastructure and modern oncology protocols to ensure financial viability** and encourage widespread private sector empanelment.
- **The Government to urgently prioritize the establishment of critical care hospital blocks and integrated public health laboratories at the district level.**
- **Emergency care to be provided entirely free of cost at the point of care in both public and private hospitals.** Such a mandate must be supported by automated and prompt reimbursement mechanisms executed through government schemes.

Source: Department-related Parliamentary Standing Committee on Health & Family Welfare, Report No. 176, "Affordability and Accessibility of Healthcare Facilities in Public and Private Sector" (August 2026)

05

Valuation trends and **analyst outlook**

Q1FY27 results update: Valuation benchmarking and analyst outlook

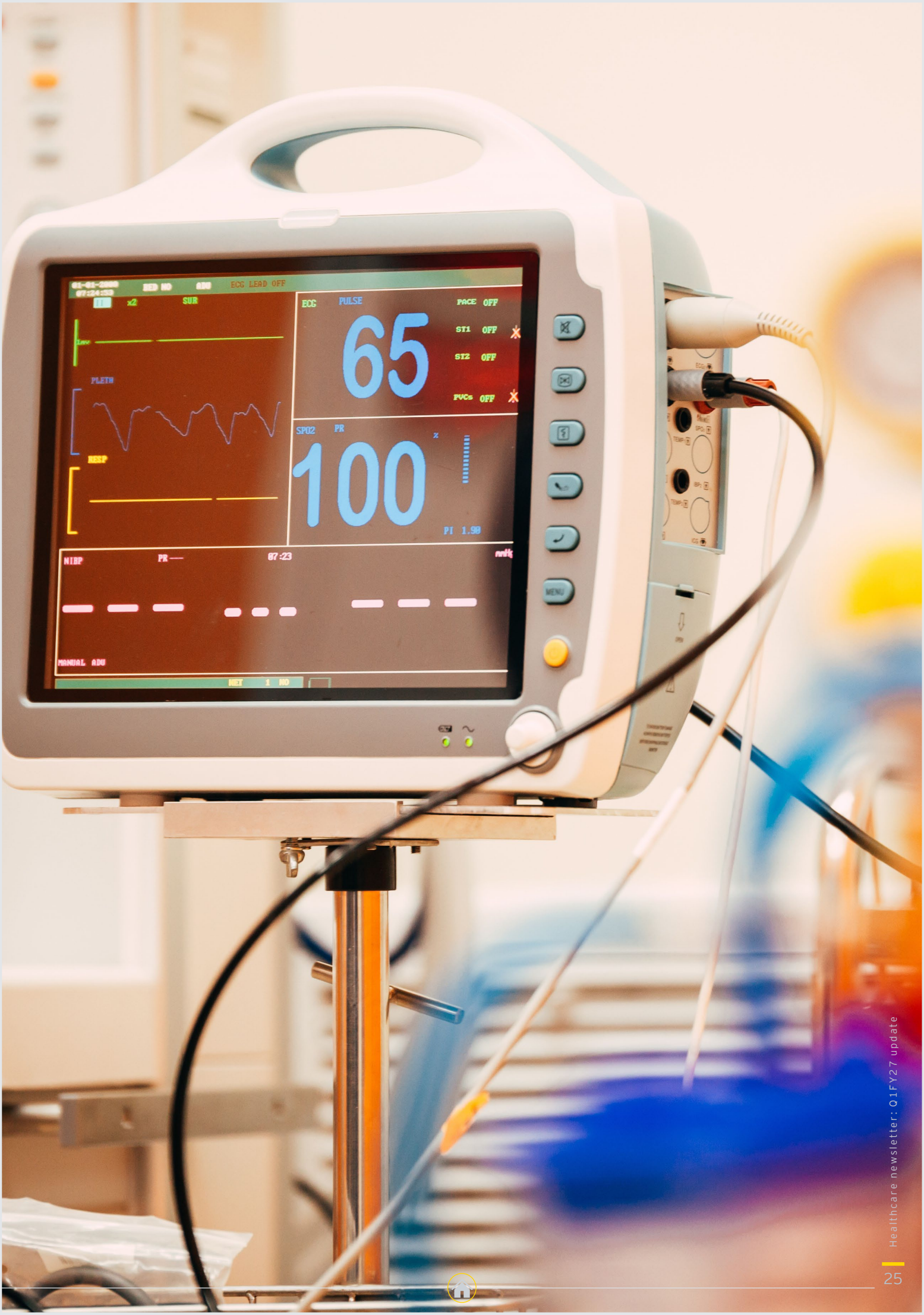
Company	MCAP	EV	EV/Revenue (x)			EV/EBITDA (x)			Analyst outlook
			FY26	FY27E	FY28E	FY26	FY27E	FY28E	
Apollo Hospitals	1,25,121	1,32,253	5.2x	4.4x	3.8x	35.1x	28.8x	23.6x	100%
Fortis	69,305	72,492	7.9x	6.8x	5.9x	34.8x	29.5x	24.1x	100%
Max Healthcare	96,169	98,982	11.8x	8.4x	7.1x	44.1x	32.0x	26.6x	80% 7% 13%
Aster DM[4]	38,807	39,958	8.6x	7.2x	5.7x	44.3x	33.1x	25.4x	100%
Manipal	97,476	1,07,901	10.4x	8.3x	7.1x	41.3x	34.3x	29.0x	100%
Narayana Hrudayalaya	37,773	41,113	5.2x	3.7x	3.4x	25.4x	19.3x	16.2x	92% 8%
KIMS	30,665	35,158	9.0x	6.8x	5.7x	43.8x	31.6x	23.6x	92% 8%
Yatharth Hospital	8,745	8,772	7.1x	5.2x	4.0x	30.0x	21.0x	16.2x	100%
Jupiter Hospitals	10,092	10,136	6.8x	5.6x	4.8x	29.5x	26.5x	21.1x	50% 50%
GPT Healthcare	1,231	1,275	2.7x	2.3x	2.0x	15.1x	11.5x	9.4x	100%
Artemis	5,207	5,441	5.0x	4.0x	3.1x	28.9x	23.6x	17.3x	100%
HealthCare Global	10,732	12,005	4.7x	4.1x	3.6x	26.2x	21.1x	17.3x	100%
Rainbow Children's Hospital	14,830	15,247	9.0x	7.4x	6.3x	28.0x	23.2x	19.8x	92% 8%
Dr Agarwals Health Care	15,779	16,656	8.0x	6.5x	5.4x	29.2x	23.6x	19.4x	100%
Dr. Lal PathLabs	31,471	30,372	11.0x	9.5x	8.3x	38.8x	32.8x	28.6x	87% 13%
Metropolis	11,680	11,720	7.1x	6.2x	5.4x	29.2x	24.0x	20.2x	83% 8% 8%
Vijaya Diagnostic	15,253	15,387	18.9x	15.6x	12.9x	45.7x	36.9x	30.3x	83% 17%
Thyrocare	9,298	9,160	11.0x	9.2x	7.8x	35.0x	27.6x	22.9x	100%
Krsnaa Diagnostics	1,826	2,000	2.5x	2.0x	1.8x	9.4x	8.3x	6.8x	100%
Suraksha Diagnostics	1,683	1,785	5.8x	4.9x	4.1x	18.7x	15.1x	12.3x	100%
Poly Medicure	17,616	17,185	9.2x	7.2x	6.1x	38.9x	28.9x	23.4x	40% 20% 40%
Tarsons	1,845	2,213	5.2x	n.a.	n.a.	18.8x	n.a.	n.a.	100%

Buy Hold Sell

Note: (1) All figures are in INR crore, except multiples. (2) Share price as of 24 August 2026 closing from Cap IQ; (3) EV and EBITDA figures have been sourced from Capital IQ and are reported on an Ind AS basis; (4) Considering the merger, Aster DM's forward valuation multiple has been derived as the average of analyst coverage, based on research reports published by ICICI Securities, HSBC, Avendus Spark, and Elara Securities

List of abbreviations

S. No.	Abbreviation	Full Form
1	AHLL	Apollo Health & Lifestyle Limited
2	ALOS	Average Length of Stay
3	ARPOB	Average Revenue per Operating Bed
4	ARPP	Average Revenue per Patient
5	ARPT	Average Revenue per Test
6	B2B	Business-to-Business
7	B2C	Business-to-Consumer
8	BPL	Below Poverty Line
9	Bps	Basis Points
10	CGHS	Central Government Health Scheme
11	CONGO	Cardiology, Oncology, Neurology, Gastroenterology & Orthopaedics
12	CWIP	Capital Work-in-Progress
13	EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
14	ESOP	Employee Stock Option Plan
15	EWS	Economically Weaker Section
16	EV	Enterprise Value
17	GDP	Gross Domestic Product
18	GST	Goods and Services Tax
19	I-GAAP	Indian Generally Accepted Accounting Principles
20	IndAS	Indian Accounting Standards
21	IP	In-Patient
22	IRDAI	Insurance Regulatory and Development Authority of India
23	LINAC	Linear Accelerator
24	MCAP	Market Capitalization
25	NABH	National Accreditation Board for Hospitals & Healthcare Providers
26	n.a.	Not Available
27	O&M	Operations and Maintenance
28	OP	Out-Patient
29	OPD	Outpatient Department
30	PET-CT	Positron Emission Tomography–Computed Tomography
31	PM-JAY	Pradhan Mantri Jan Arogya Yojana
32	QCIL	Quality Care India Limited
33	QIP	Qualified Institutional Placement
34	WPI	Wholesale Price Index
35	y-o-y	Year-on-Year


ECG LEAD OFF
ECG
PULSE
65
PACE OFF
ST1 OFF
ST2 OFF
PVCs OFF
PLETH
RESP
SPO2
PR
100
PI 1.90
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