

# Research Report

**Fortis Healthcare Ltd**



Prepared By-

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# About

FHL was incorporated in February 1996. The company's first healthcare facility became operational in Mohali, Punjab in 2001. It is a leading integrated healthcare service provider in India. The healthcare verticals of the company primarily comprise hospitals, diagnostics and day care specialty facilities. Currently, the company operates its healthcare delivery services in India, Nepal, Dubai and Sri Lanka with 36 healthcare facilities with approximately 4,000 operational beds.

## Business Segments

- a) **Hospital Segment:** Co. operates Multi-specialty and super-specialty hospitals providing inpatient and outpatient treatments across various disciplines.
- b) **Diagnostics Segment:** Co. operates the segment through its subsidiary Agilu Diagnostics (89.2% stake) It conducts Pathology, imaging, and preventive health check-ups

## Synopsis of Financials

### Q3 FY26 performance snapshot

#### (Consolidated)

- Revenue: INR 2,265 cr (+17.5% YoY)
- Operating EBITDA: INR 505 cr (+34.8% YoY); margin 22.3% (vs 19.4% in Q3 FY25)
- Reported PAT: INR 197 cr (vs INR 250 cr in Q3 FY25) due to exceptionals:

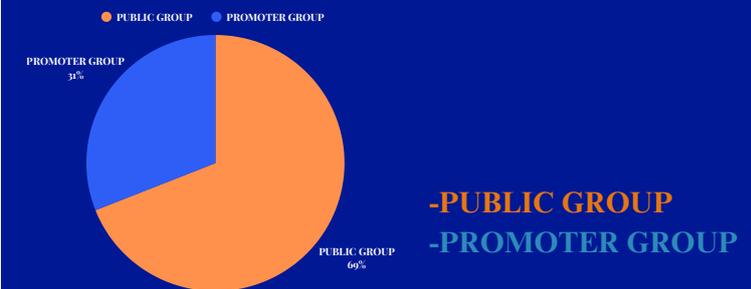
## Stock data (as 20th Feb 2026)

Nifty Price	: 23,329.55
52 week High (in Rs.)	: 1,104.30
52 week Low (in Rs.)	: 595.60
Market Cap. (in Crore)	: 61,831.07
NSE Code	: INE061F01013

## Stock data



## Shareholding Pattern (December 2025)



## Financial Summary

Particular	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Sales -	4,030	5,718	6,298	6,893	7,783
Sales Growth %	-13.00%	41.87%	10.14%	9.45%	12.91%
Expenses +	3,626	4,649	5,196	5,625	6,195
Operating Profit	404	1,069	1,101	1,268	1,588
OPM %	10%	19%	17%	18%	20%
Net Profit +	-56	790	633	645	809
EPS in Rs	-1.45	7.35	7.8	7.93	10.26
Dividend Payout %	0%	0%	13%	13%	10%

# Quarterly Results

Particular	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Sales -	1,859	1,988	1,928	2,007	2,167	2,331	2,265
YOY Sales Growth %	12.16%	12.34%	14.80%	12.39%	16.56%	17.25%	17.46%
Expenses -	1,516	1,554	1,553	1,572	1,676	1,775	1,759
Material Cost %	24.36%	23.18%	23.52%	23.07%	23.73%	23.14%	22.79%
Employee Cost %	15.89%	14.60%	15.26%	14.31%	14.43%	13.58%	14.46%
Operating Profit	343	435	375	435	491	556	506
OPM %	18%	22%	19%	22%	23%	24%	22%
Other Income -	14	-42	47	-29	31	50	-34
Other income normal	13.6	17.47	22.95	24.44	18.32	26.26	11.82
Interest	35	36	45	68	70	75	86
Depreciation	91	95	97	102	101	106	120
Profit before tax	230	261	279	237	351	425	266
Tax %	24%	26%	9%	21%	24%	23%	26%
Net Profit +	174	193	254	188	267	329	197

Source: Screener

## Key Ratios

S. No.	Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% change	Remarks
1	Current Ratio (in times)	Total current assets	Total current liabilities	0.39	0.84	(53.55%)	Due to increase in interest accrued on account of issuance of Non-Convertible Debentures (NCDs) during the year
2	Debt-Equity Ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	0.22	0.07	208.20%	Due to issuance of Non-Convertible Debentures (NCDs) during the year
3	Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes excluding exceptional (loss)/gain + Non-cash operating expenses + Finance costs + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	2.05	0.71	188.90%	Due to increase in profitability during the year
4	Return on Equity Ratio (in %)	Profit excluding exceptional (loss)/gain for the year less Preference dividend (if any)	Average total equity	1.97%	1.17%	67.19%	Due to increase in profitability during the year
5	Inventory turnover Ratio (in times)	Cost of goods sold	Average Inventory	25.64	24.12	6.32%	-
6	Trade Receivables Turnover Ratio (in times)	Revenue from operations (excluding liabilities no longer required written back)	Average trade receivable	9.24	10.31	(10.35%)	-
7	Trade Payables Turnover Ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average trade payables	0.65	0.66	(2.08%)	-
8	Net Capital Turnover Ratio (in times)	Revenue from operations (excluding liabilities no longer required written back)	Working capital (i.e. Total current assets less Total current liabilities)	(2.39)	(9.94)	(75.97%)	Due to increase in current financial liability during the year
9	Net Profit Ratio (in %)	Net Profit excluding exceptional (loss)/gain	Revenue from operations (excluding liabilities no longer required written back)	12.39%	8.98%	38.02%	Due to increase in current financial liability during the year
10	Return on Capital Employed (in %)	Profit before tax excluding exceptional (loss)/gain and finance costs	Capital employed = Tangible Net worth + Lease liabilities + Deferred tax liabilities	3.08%	2.42%	27.36%	Due to increase in profitability during the year
11	Return on investment (%)	Income generated from Invested funds	Average Invested funds	16.85%	13.79%	22.20%	

Source: Annual Report

# Yearly Results

Particulars	March 2021	March 2022	March2023	March2024	March2025
Equity Capital	755	755	755	755	755
Reserves	5,365	5,423	6,487	6,908	8,162
Borrowings	1,531	1,255	926	1,155	2,475
Other Liabilities	3,216	4,082	3,921	4,153	1,985
Total Liabilities	10,866	11,516	12,089	12,971	13,377
Fixed Assets	8,799	9,416	9,426	9,874	10,424
CWIP	165	193	228	542	407
Investments	186	104	210	230	169
Other Assets	1,716	1,803	2,225	2,326	2,378
Total Assets	10,866	11,516	12,089	12,971	13,377

# Synopsis Quarter Results

## Concall Notes - Feb-2026: Key Highlights

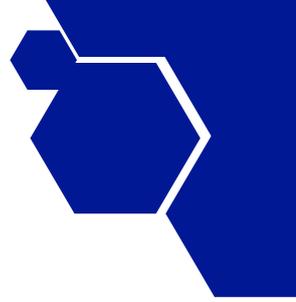
### Q3 FY26 performance snapshot (Consolidated):

- Revenue: INR 2,265 cr (+17.5% YoY)
- Hospitals: INR 1,938 cr (+19.4% YoY)
- Diagnostics (net): INR 327 cr (+7.3% YoY)
- Operating EBITDA: INR 505 cr (+34.8% YoY); margin 22.3% (vs 19.4% in Q3 FY25)
- Hospitals EBITDA: INR 420 cr; margin 21.7% (vs 20.0% in Q3 FY25)
- PBT (pre-exceptional): INR 312 cr (+21.9% YoY)
- Reported PAT: INR 197 cr (vs INR 250 cr in Q3 FY25) due to exceptionals:
- INR 55 cr one-off expense related to New Labour Codes, partly offset by INR 9 cr impairment reversal; net exceptional loss INR 46 cr.
- 9M FY26: Revenue INR 6,763 cr (+17.1%); Operating EBITDA INR 1,553 cr; margin 23% (+300 bps YoY). Hospitals (9M) revenue INR 5,749 cr (+19.1%); hospitals margin 22.2% (vs 20%).

### Balance sheet, leverage, and funding posture:

- Net debt: INR 2,547 cr as of Dec 31, 2025; net debt/EBITDA 1.24x.
- Debt increased primarily due to funding for: PE stake acquisition in Agilus, Fortis brand & trademark acquisition, and Shrimann Hospital (Jalandhar) acquisition.
- After the People Tree acquisition (noted by an analyst), management downplayed leverage risk: “the debt EBITDA number is not that alarming... still room to take some more debt.”

# Highlights



Consolidated Revenue

**2,265 Crores**

 **17.5%**

Consolidated Op EBITDA

**505 Crores**  
(22.3% Margin)

 **34.8%**

Consolidated PBT<sup>1</sup>

**312 Crores**

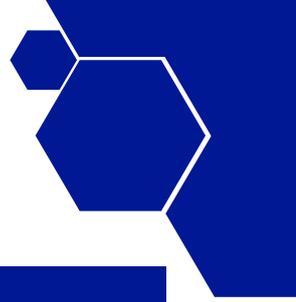
 **21.9%**

Consolidated PAT<sup>1</sup>

**243 Crores**

 **5.6%**

# Peer Comparison



## Peer Stock Performance (5Y) Indexed



Source: Trading View

## Peer Financial Performance

Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	Qtr Sales Var %
<a href="#">Apollo Hospitals</a>	7364.50	58.35	105890.20	0.26	516.30	38.72	6477.40	17.20
<a href="#">Max Healthcare</a>	964.75	64.33	93883.18	0.16	300.92	17.20	2067.52	10.66
<a href="#">Fortis Health.</a>	822.05	61.62	62061.33	0.12	197.40	0.19	2265.01	17.46

Source: Screener

# Final Outlook

**FORTIS: HOLD | LTP: 819.00**

## **Summary:**

Fortis Healthcare has shown a strong turnaround after FY21. The company is growing steadily with improving margins and better hospital occupancy. Revenue and operating profit are increasing consistently, showing strong demand for healthcare services. However, debt has increased due to acquisitions and expansion, and occasional one-time costs can impact profits. Overall, the business is stable and growing, but not very fast.

## **Recent Performance (Q3 FY26 – Easy View):**

- Revenue: ₹2,265 Cr (+17.5% YoY)
- EBITDA: ₹505 Cr (+34.8% YoY)
- Margin: 22.3% (improving)
- Net Profit: ₹197 Cr (lower due to one-time expense)

## **Simple Understanding:**

- Revenue is growing steadily every year
- Profit has improved after losses in FY21
- Margins improved from 10% » 20% (strong improvement)
- Debt increased in FY25 due to expansion

## **Final Verdict: HOLD**

Fortis Healthcare is a stable healthcare company with improving performance and strong demand outlook.

HOLD for steady long-term growth

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