

Apollo Hospitals Enterprise Limited

BUY

Sector: Health Care Providers & Services

23rd June, 2026

Key Changes	Target ▲	Rating ●	Earnings ▼	Target	Rs. 9,587
Stock Type	Bloomberg Code	Sensex	NSE Code	BSE Code	Time Frame
Large Cap	APHS:IN	76,201	APOLLOHOSP	508869	12 Months
				CMP	Rs. 8,488
				Return	+13%

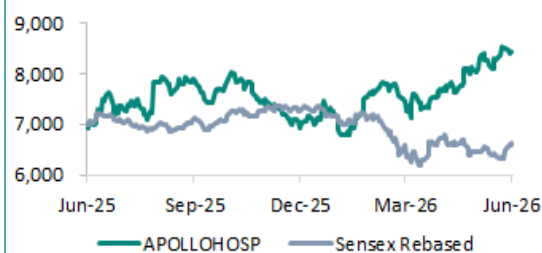
Data as of: 23-Jun-2026, 16:00 hrs

Company Data	
Market Cap (Rs.cr)	121,915
52 Week High — Low (Rs.)	8,624 - 6,680
Enterprise Value (Rs. cr)	125,800
Outstanding Shares (cr)	14.4
Free Float (%)	71.3
Dividend Yield (%)	0.2
6m average volume (lacs)	4.5
Beta	0.9
Face value (Rs.)	5.0

Shareholding (%)	Q2FY26	Q3FY26	Q4FY26
Promoters	28.0	28.0	28.0
FII's	44.2	43.5	42.6
MFs/Institutions	21.1	21.5	22.8
Public	5.3	5.5	5.2
Others	1.4	1.5	1.4
Total	100.0	100.0	100.0
Promoter Pledge	Nil	Nil	Nil

Price Performance	3 Month	6 Month	1 Year
Absolute Return	12.6%	21.6%	21.4%
Absolute Sensex	-0.1%	-9.3%	-5.9%
Relative Return	12.7%	30.8%	27.3%

*over or under performance to benchmark index



Y.E March (cr)	FY26A	FY27E	FY28E
Sales	25,420	29,716	34,508
Growth (%)	15.6	16.9	16.1
EBITDA	3,961	4,542	5,585
EBITDA Margin (%)	15.6	15.3	16.2
PAT Adjusted	1,961	2,376	3,086
Growth (%)	35.6	21.2	29.9
Adjusted EPS	136.4	165.3	214.6
Growth (%)	35.6	21.2	29.9
P/E	54.5	51.3	39.5
P/B	11.3	10.2	8.1
EV/EBITDA	28.1	27.9	22.5
ROE (%)	21.1	20.4	20.9
D/E	0.6	0.5	0.4

HealthCo demerger unlocks hidden value

Apollo Hospitals Enterprise Ltd operates the largest hospital network and pharmacy chain in India. The hospital owns ~71 hospitals and operates ~4,163 pharmacy outlets in India.

- Apollo Hospitals' consolidated revenue increased 17.6% YoY to Rs. 6,649cr in Q4FY26, driven by healthy growth across Healthcare Services, Apollo HealthCo and Apollo Health & Lifestyle Ltd (AHLL) backed by steady demand across verticals.
- Healthcare Services revenue increased 17.3% YoY to Rs. 3,334cr, led by 7% volume growth, 5% case mix improvement, 4% price revisions and a strong performance in the CONGO business.
- Retail Health and Diagnostics revenue increased 24.3% YoY to Rs. 490cr, supported by improved lab utilisation.
- Digital Health and Pharmacy Distribution revenue grew 19.9% YoY to Rs. 2,848cr, driven by a 21% growth in offline pharmacy and improving digital traction, with 20% growth in gross merchandise value (GMV) on a YoY basis.
- EBITDA rose 27.0% YoY to Rs. 1,055cr, while EBITDA margin expanded 120bps YoY to 15.9%, supported by strong operating performance.
- Profit after tax (PAT) grew 33.0% YoY to Rs. 551cr, driven by strong EBITDA growth, operating leverage and improved profitability across core healthcare.

Outlook & Valuation

Apollo Hospitals delivered strong revenue growth driven by robust operational momentum across healthcare services, expanding diagnostics footprint, and improving digital platform efficiency. The company is well-positioned with its aggressive bed expansion pipeline, strategic demerger of Apollo HealthCo to unlock value, and imminent digital health platform breakeven. Management's guidance on sustained mid-teen hospital growth, margin expansion in established units, and digital profitability reinforces confidence. Primary care expansion, AI-driven operational excellence, insurance partnerships, and private label penetration are expected to drive sustained margin expansion and market leadership. Hence, **we reiterate our BUY rating on the stock with a revised target price of Rs. 9,587 based on the SOTP valuation.**

Quarterly Financial Consolidated

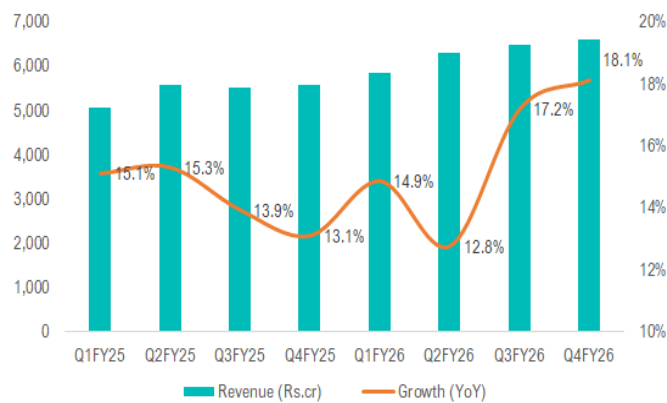
Rs.cr	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)	FY26	FY25	YoY (%)
Sales	6,649	5,653	17.6	6,530	1.8	25,420	21,994	15.6
EBITDA	1,055	831	27.0	1,018	3.6	3,961	3,222	22.9
Margin (%)	15.9	14.7	120bps	15.6	30bps	15.6	14.6	100bps
EBIT	831	620	34.0	799	4.0	3,085	2,465	25.2
PBT	722	516	40.0	682	5.8	2,661	2,039	30.5
Rep. PAT	551	415	33.0	516	6.8	2,003	1,505	33.1
Adj PAT	529	390	35.9	522	1.5	1,961	1,446	35.6
Adj. EPS (Rs)	36.8	27.1	35.9	36.3	1.5	136.4	100.6	35.6



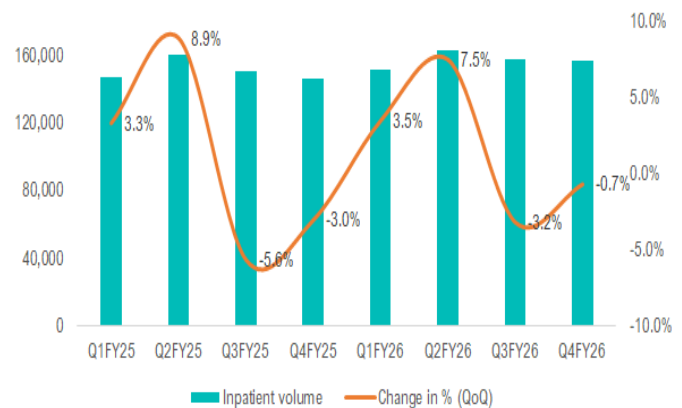
Key concall highlights

- Apollo HealthCo demerger from AHEL is progressing; NCLT shareholder meeting scheduled for June 24, 2026, with expected listing by Q4FY27 (December 2026 or early January 2027).
- Apollo HealthCo pro forma revenue is targeted at Rs. 25,000cr annualized run rate by Q4FY27 with EBITDA margin guidance of 6.5% to 7.0% at exit.
- Apollo added 279 diagnostic collection centers in FY26, expanding network to 2,387 centers across 430+ cities with 114 labs and 3,750+ pick-up points by March 31, 2026.
- Apollo is investing Rs. 6-7cr quarterly in AI technology and insurance initiatives to improve productivity, reduce customer call center expenses, and enhance operational efficiency.
- Apollo is commissioning 1,000 new beds in FY27 across multiple locations including Gurugram, Pune Phase 2, Lucknow, and Bangalore, with total CapEx of Rs. 1,980cr planned.
- Apollo expects new hospital EBITDA drag of Rs. 150cr in FY27, with peak quarterly losses potentially reaching Rs. 40-41cr before tapering as hospitals ramp up operations.

Revenue



Inpatient volume



Sum-of-the-Part (SOTP) Valuation

Segments	Basis	Multiple	% holding	Value (Rs. cr.)	Value/ share (Rs.)
a) Healthcare Services group (Hospitals)	FY28E EV/EBITDA	30.0x	100.0%	1,06,585	7,415
b) Diagnostics & Retail Health (Apollo Health and Lifestyle Ltd-AHLL)	FY28E EV/EBITDA	15.0x	99.4%	3,495	243
c) Digital Health & Pharmacy Distribution (Apollo Health Co Ltd)	FY28E EV/Sales	3.5x	59.6%	30,736	2,138
Total Segment Value				1,40,817	9,796
Less: Net Debt				-3,367	-234
Less: Minority Interest				-634	-44
Plus: Investments				735	51
Plus: Associates				265	18
Total Value				1,37,816	9,587

Change in Estimates

Year / Rs cr	Old estimates		New estimates		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Revenue	30,198	-	29,716	34,508	-1.6	-
EBITDA	4,546	-	4,542	5,585	-0.1	-
Margins (%)	15.1	-	15.3	16.2	20bps	-
Adj. PAT	2,389	-	2,376	3,086	-0.5	-
EPS	166.2	-	165.3	214.6	-0.6	-



Consolidated Financials

Profit & Loss

Y.E March (Rs. cr)	FY24A	FY25A	FY26A	FY27E	FY28E
Sales	19,166	21,994	25,420	29,716	34,508
% change	14.7	14.8	15.6	16.9	16.1
EBITDA	2,497	3,222	3,961	4,542	5,585
% change	16.7	29.0	22.9	14.7	23.0
Depreciation	687	758	876	945	1,027
EBIT	1,810	2,465	3,085	3,597	4,559
Interest	449	459	450	498	504
Other Income	20	33	26	150	165
PBT	1,381	2,039	2,661	3,249	4,220
% change	25.4	47.7	30.5	22.1	29.9
Tax	446	534	658	812	1,055
Tax Rate (%)	32.3	26.2	24.7	25.0	25.0
Reported PAT	935	1,505	2,003	2,437	3,165
PAT att. to common shareholders	899	1,446	1,942	2,376	3,086
Adj.*	-2	-	19	-	-
Adj. PAT	897	1,446	1,961	2,376	3,086
% change	9.5	61.2	35.6	21.2	29.9
No. of shares (cr)	14.4	14.4	14.4	14.4	14.4
Adj EPS (Rs.)	62.4	100.6	136.4	165.3	214.6
% change	9.5	61.2	35.6	21.2	29.9
DPS (Rs.)	10.0	19.0	20.0	23.0	24.0

Cashflow

Y.E March (Rs. cr)	FY24A	FY25A	FY26A	FY27E	FY28E
Net inc. + Depn.	1,622	2,263	2,879	3,382	4,192
Non-cash adj.	292	587	583	-679	-622
Other adjustments	-	-	-	-	-
Changes in W.C	6	-713	-606	-231	-282
C.F. Operation	1,920	2,136	2,856	2,472	3,288
Capital exp.	-2,302	-4,200	-3,667	-3,453	-3,156
Change in inv.	-343	-1,394	-722	88	32
Other invest.CF	1,108	2,211	2,241	1,700	1,500
C.F - Investment	-1,537	-3,383	-2,148	-1,665	-1,624
Issue of equity	3	46	3	-	-
Issue/repay debt	454	2,109	381	65	66
Dividends paid	-221	-278	-293	-132	-138
Other finance.CF	-546	-557	-568	-512	-514
C.F - Finance	-311	1,319	-478	-580	-586
Chg. in cash	72	73	230	227	1,078
Closing Cash	934	1,360	1,117	1,344	2,422

Balance Sheet

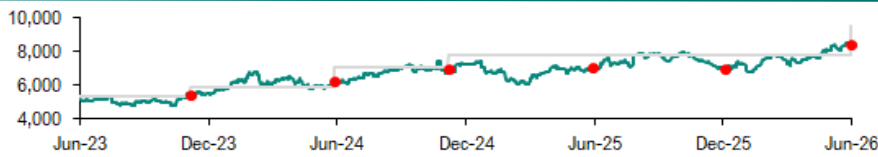
Y.E March (Rs. cr)	FY24A	FY25A	FY26A	FY27E	FY28E
Cash	934	1,360	1,117	1,344	2,422
Accts. Receivable	2,515	3,016	3,485	4,029	4,659
Inventories	460	481	542	624	703
Other Cur. Assets	1,371	2,172	1,756	2,604	3,821
Investments	198	224	256	260	265
Gross Fixed Assets	12,819	17,019	20,685	24,139	27,295
Net Fixed Assets	8,541	9,816	11,039	11,636	12,221
CWIP	845	771	992	1,221	1,283
Intangible Assets	1,148	1,320	1,272	1,721	2,004
Def. Tax -Net	11	13	14	15	16
Other Assets	731	1,485	1,725	1,670	1,615
Total Assets	16,753	20,657	22,197	25,123	29,009
Current Liabilities	3,738	3,721	3,253	3,453	3,854
Provisions	143	179	195	205	215
Debt Funds	3,162	5,275	5,659	5,723	5,789
Other Liabilities	2,389	2,829	3,116	3,223	3,396
Equity Capital	72	72	72	72	72
Res. & Surplus	6,864	8,140	9,408	11,893	15,048
Shareholder Funds	6,935	8,212	9,480	11,964	15,120
Minority Interest	385	441	494	555	634
Total Liabilities	16,753	20,657	22,197	25,123	29,009
BVPS	482	571	659	832	1,052

Ratio

Y.E March	FY24A	FY25A	FY26A	FY27E	FY28E
Profitab. & Return					
EBITDA margin (%)	13.0	14.6	15.6	15.3	16.2
EBIT margin (%)	9.4	11.2	12.1	12.1	13.2
Net profit mgn.(%)	4.7	6.6	7.6	8.0	8.9
ROE (%)	13.5	18.3	21.1	20.4	20.9
ROCE (%)	17.9	18.3	20.4	20.3	21.8
W.C & Liquidity					
Receivables (days)	47.9	50.1	50.0	49.5	49.3
Inventory (days)	17.1	15.5	15.1	15.0	14.8
Payables (days)	88.2	72.3	62.9	63.5	64.6
Current ratio (x)	1.1	1.5	1.1	1.3	1.6
Quick ratio (x)	0.9	1.3	0.9	1.0	1.2
Turnover & Leverage					
Gross asset T.O (x)	1.6	1.5	1.3	1.3	1.3
Total asset T.O (x)	1.2	1.2	1.2	1.3	1.3
Int. covge. ratio (x)	4.0	5.4	6.9	7.2	9.1
Adj. debt/equity (x)	0.4	0.6	0.6	0.5	0.4
Valuation					
EV/Sales (x)	4.9	4.5	4.4	4.3	3.6
EV/EBITDA (x)	37.5	30.8	28.1	27.9	22.5
P/E (x)	101.9	65.9	54.5	51.3	39.5
P/BV (x)	13.2	11.6	11.3	10.2	8.1



Recommendation Summary - (last 3 years)



Dates	Rating	Target
14-Dec-22	HOLD	5,115
05-Jun-23	HOLD	5,349
21-Nov-23	HOLD	5,880
14-Jun-24	BUY	7,059
22-Nov-24	BUY	7,764
16-Jun-25	ACCUMULATE	7,757
19-Dec-25	BUY	7,763
23-Jun-26	BUY	9,587

Investment Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
Buy	Upside is above 10%	Upside is above 15%	Upside is above 20%
Accumulate	-	Upside is between 10%-15%	Upside is between 10%-20%
Hold	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
Reduce/sell	Downside is more than 0%	Downside is more than 0%	Downside is more than 0%


Not rated/Neutral


Definition:

Buy: Acquire at Current Market Price (CMP), with the target mentioned in the research note; **Accumulate:** Partial buying or to accumulate as CMP dips in the future; **Hold:** Hold the stock with the expected target mentioned in the note.; **Reduce:** Reduce your exposure to the stock due to limited upside.; **Sell:** Exit from the stock; **Not rated/Neutral:** The analyst has no investment opinion on the stock.

Symbols definition:

 Upgrade

 No Change

 Downgrade

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell.

The recommendations are based on 12 month horizon, unless otherwise specified. The investment ratings are on absolute positive/negative return basis. It is possible that due to volatile price fluctuation in the near to medium term, there could be a temporary mismatch to rating. For reasons of valuations/ return/lack of clarity/event we may revisit rating at appropriate time. Please note that the stock always carries the risk of being upgraded to BUY or downgraded to HOLD, REDUCE or SELL.

Not rated/Neutral- The analyst has no investment opinion on the stock under review.

DISCLAIMER & DISCLOSURES

Certification: I, Antu Eapan Thomas, author of this Report, hereby certify that all the views expressed in this research report reflect our personal views about any or all of the subject issuer or securities. This report has been prepared by the Research Team of Geojit Investments Limited, hereinafter referred to as GIL.

For general disclosures and disclaimer: Please [Click here](#)

CRISIL has provided research support in preparation of this research report and the investment rational contained herein along with financial forecast. The target price and recommendation provided in the report are strictly GIL's views and are NOT PROVIDED by CRISIL. Further, CRISIL expresses no opinion on valuation and the associated recommendations. CRISIL has no financial liability whatsoever, to the subscribers / users of this report.

Regulatory Disclosures:

Geojit Investments Limited is a wholly owned subsidiary of Geojit Financial Services Limited. Group companies/ Fellow subsidiaries of Geojit Investments Ltd (GIL) are Geojit Technologies Private Limited (Software Solutions provider), Geojit Credits Private Limited (NBFC), Geojit Fintech Private Ltd, Geojit IFSC Ltd (a company incorporated under IFSC Regulations), Qurum Business Group Geojit Securities LLC (a subsidiary of holding company in Oman engaged in Financial Services), Barjeel Geojit Financial Services LLC (a joint venture of holding company in UAE engaged in Financial Services), BBK Geojit Consultancy and Information KSC (C) (a joint venture in Kuwait-engaged in Financial services) and Aloula Geojit Capital Company (a joint venture in Saudi Arabia under liquidation). Geojit Investments Limited is an investment services company with memberships in National Stock Exchange (NSE), Bombay Stock Exchange (BSE), Multi Commodity Exchange (MCX) and National Commodity & Derivatives Exchange (NCDEX). GIL offers advanced trading and investing platforms, and in-depth research reports & recommendations on equities, commodities, currencies and bonds. As a depository participant of NSDL and CDSL, GIL offers comprehensive investment related services like de-materialization, transmission and, hassle free distribution of benefits from corporate actions. In the context of the SEBI Regulations on Research Analysts (2014), GIL affirms that we are a SEBI registered Research Entity and in the course of our business as a stock market intermediary, we issue research reports /research analysis etc. that are prepared by our Research Analysts. We also affirm and undertake that no disciplinary action has been taken against us or our Analysts in connection with our business activities. In compliance with the above-mentioned SEBI Regulations, the following additional disclosures are also provided which may be considered by the reader before making an investment decision

1. Disclosures regarding Ownership:

GIL confirms that:

- (i) It/its associates have no financial interest or any other material conflict in relation to the subject company (ies) covered herein, at the time of publication of the research report.
- (ii) It/its associates have no actual beneficial ownership of 1% or more in relation to the subject company (ies) covered herein, at the end of the month immediately preceding the date of publication of the research report.

Further, the Analyst confirms that:

- (i) He/his associates/his relatives have no other financial interest in the subject company other than holding shares in very small quantity in the subject company at the time of publication of the research report. (ii) He, his associates and his relatives have no actual/beneficial ownership of 1% or more in the subject company covered, at the end of the month immediately preceding the date of publication of the research report.

2. Disclosures regarding Compensation:

During the past 12 months, GIL or its Associates:

- (a) Have not received any compensation from the subject company; (b) Have not managed or co-managed public offering of securities for the subject company (c) Have not received any compensation for investment banking or merchant banking or brokerage services from the subject company. (d) Have not received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company. e) Have not received any compensation or other benefits from the subject company or third party in connection with the research report (f) The subject company is / was not a client during twelve months preceding the date of distribution of the research report.

3. Disclosure by GIL regarding the compensation paid to its Research Analyst:

GIL hereby confirms that no part of the compensation paid to the persons employed by it as Research Analysts is based on any specific brokerage services or transactions pertaining to trading in securities of companies contained in the Research Reports.

4. Disclosure regarding the Research Analyst's connection with the subject company: It is affirmed that I, Antu Eapan Thomas, Research Analyst (s) of GIL have not served as an officer, director or employee of the subject company.

5. Disclosure regarding Market Making activity: Neither GIL/its Analysts have engaged in market making activities for the subject company.

6. Disclosure regarding conflict of interests: GIL shall abide by the applicable regulations/ circulars/ directions specified by SEBI and Research Analyst Administration and Supervisory Body (RAASB) from time to time in relation to disclosure and mitigation of any actual or potential conflict of interest. GIL will endeavour to promptly inform the client of any conflict of interest that may affect the services being rendered to the client.

7. "Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors."

8. Clients are required to keep contact details, including email id and mobile number/s updated with the GIL at all times.

9. In the course of providing research services by GIL, GIL cannot execute/carry out any trade (purchase/sell transaction) on behalf of, the client. Thus, the clients are advised not to permit GIL to execute any trade on their behalf.

10. GIL will never ask for the client's login credentials and OTPs for the client's Trading Account Demat Account and Bank Account. The Clients are advised not to share such information with anyone including GIL.

11. Standard Warning: "Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

12. Disclosures regarding Artificial Intelligence tools: Neither Geojit Investments Limited nor its Analysts have utilized any AI tools in the preparation of the research reports. Please ensure that you have read the "Risk Disclosure Documents for Capital Market and Derivatives Segments" as prescribed by the Securities and Exchange Board of India before investing.

Geojit Investments Ltd. Registered Office: 7th Floor 34/659-P, Civil Line Road, Padivattom, Kochi-682024, Kerala, India. Phone: +91 484-2901000, Website : www.geojit.com/GIL . For investor queries: customer@geojit.com

GRIEVANCES

Step 1: The client should first contact the RA using the details on its website or following

contact details: Compliance officer: Ms. Indu K. Address: 7th Floor, 34/659-P, Civil Line Road, Padivattom, Ernakulam.; Phone: +91 484-2901367; Email: compliance@geojit.com. For Grievances: grievances@geojit.com. **Step 2:** If the resolution is unsatisfactory, the client can also lodge grievances through SEBI's SCORES platform at www.scores.sebi.gov.in **Step 3:** The client may also consider the Online Dispute Resolution (ODR) through the Smart ODR portal at <https://smartodr.in>

Corporate Identity Number: U66110KL2023PLC080586, Research Entity SEBI Reg No: INH00019567; Depository Participant : IN-DP-781-2024.

