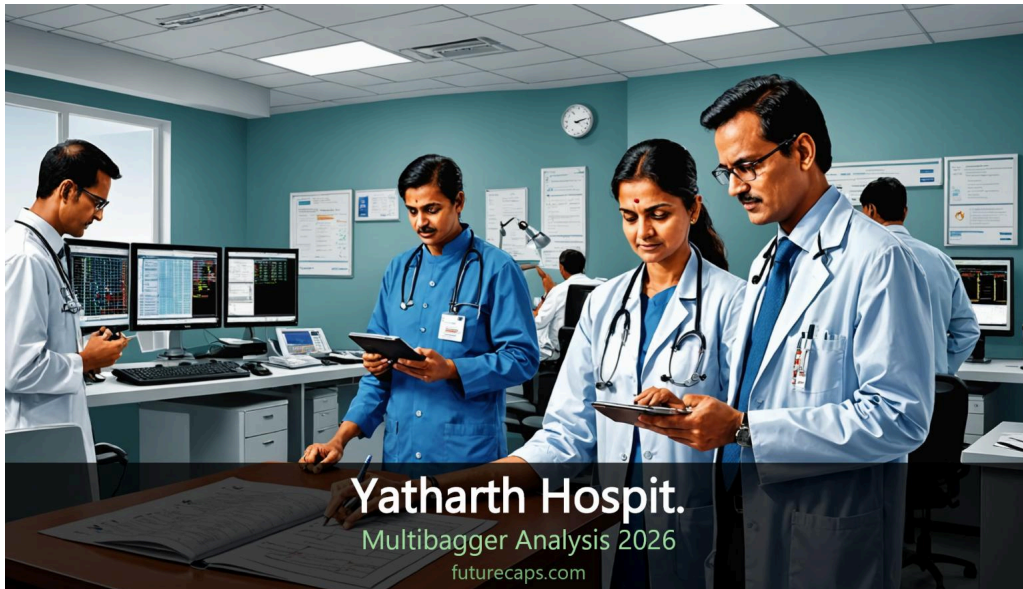


Yatharth Hospital & Trauma Care Services Multibagger Stock 2026 Analysis

Multibagger Stock Analysis 2026



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Yatharth Hospital & Trauma Care Services

Sector: Hospital

About Yatharth Hospital & Trauma Care Services

Yatharth Hospital & Trauma Care Services Limited is a fast-growing multi-specialty hospital chain headquartered in Greater Noida, Uttar Pradesh. Founded with a mission to deliver world-class healthcare at accessible prices, the company has built a strong clinical reputation across the National Capital Region (NCR). The hospital network offers a comprehensive range of medical services spanning **trauma surgery, cardiology, oncology, neurology, orthopaedics, obstetrics, and intensive critical care**.

The company was incorporated in 2008 and has steadily grown its bed capacity and clinical depth. It operates flagship hospitals in Greater Noida, Noida Extension (Sector 110), and Noida, together housing hundreds of operational beds with modern diagnostic and surgical infrastructure. In 2023, Yatharth made a landmark entry onto the BSE and NSE through a successful IPO, significantly raising its public profile and financial firepower.

What sets Yatharth apart is its focus on the **affordable premium** segment — quality tertiary care priced competitively for the emerging middle class of NCR. With rising urbanisation, health insurance penetration, and the government's Ayushman Bharat scheme, the company is well-positioned to capture a disproportionate share of healthcare demand growth in one of India's most populous corridors. 💡

 Official website: [Yatharth Hospital & Trauma Care Services Official Website](#)

Expansion Plans

Yatharth Hospital & Trauma Care Services has articulated an ambitious multi-year expansion roadmap that could transform it from a regional NCR player into a pan-North India healthcare powerhouse. Here is what the growth blueprint looks like: 

- **Bed Capacity Addition:** The company is actively working to scale from its current ~900+ operational beds to over 1,500 beds by FY27, driven by brownfield expansions at existing sites and new greenfield hospitals. Each incremental bed carries high operating leverage once occupancy crosses ~60%.
- **New Geographies:** Yatharth is eyeing Tier-2 cities in Uttar Pradesh, Uttarakhand, and Haryana — markets that are acutely underserved by quality tertiary care. Cities like Meerut, Haridwar, Dehradun, and Aligarh have been cited in investor communications as potential expansion corridors.
- **Specialty Deepening:** The chain is investing in high-revenue specialties including **robotic surgery, advanced oncology (linear accelerators), and cardiac catheterisation labs**. These specialties

command premium pricing and attract complex cases that drive ARPOB (Average Revenue Per Occupied Bed) higher.

- **Inorganic Opportunities:** With a clean balance sheet (D/E of just 0.15) and post-IPO cash reserves, Yatharth is actively evaluating acquisition targets — smaller distressed hospitals or nursing homes in NCR and adjoining states that can be quickly absorbed and upgraded.
- **Digital Health & OPD Expansion:** Teleconsultation, digital appointment systems, and satellite OPD centres are being deployed to widen the patient funnel without proportional capex. This keeps acquisition costs low and boosts brand recall in new micro-markets. 🖥️

If the expansion executes as planned, Yatharth could double its revenue base within three to four years, creating a compelling compounding story for long-term investors. 🚀

✓ Key Positives

- ✓ **Explosive EPS Growth:** With a trailing EPS of ₹18.20 and a growth rate of approximately 57%, Yatharth is generating earnings at a pace that very few small-cap hospital stocks can match. This kind of earnings momentum is the fuel that drives multibagger returns.
- ✓ **Nearly Debt-Free Balance Sheet:** A D/E ratio of just 0.15 is exceptional for a capital-intensive hospital business. This means the company funds growth primarily through internal accruals and equity — reducing financial risk substantially.
- ✓ **Promoter Confidence:** Promoters hold 55.80% stake with zero pledging, signalling high conviction in the business and no financial distress at the promoter level. Skin in the game matters! 🏆
- ✓ **Massive Intrinsic Value Upside:** At a market price of ₹870 against a calculated intrinsic value of ₹1,672, the stock offers a potential upside of ~92% purely on fundamental re-rating — a compelling margin of safety for value investors.
- ✓ **Favourable Macro Tailwinds:** India's healthcare expenditure as a percentage of GDP remains among the lowest in Asia. Rising incomes, health insurance penetration (especially under PMJAY/ Ayushman Bharat), and post-COVID awareness are structurally lifting hospital utilisation rates across NCR.
- ✓ **ARPOB Improvement:** Yatharth has consistently improved its Average Revenue Per Occupied Bed through a richer specialty mix and higher proportion of surgical cases, a trend that directly translates to margin expansion without adding proportional costs.
- ✓ **IPO-Backed Credibility:** Since its 2023 listing, the company has demonstrated transparent governance, timely regulatory filings, and consistent communication with investors — building institutional trust quickly. 📊
- ✓ **Scalable Operating Model:** By following a hub-and-spoke model where flagship hospitals anchor regional networks, Yatharth can replicate its success formula in new markets with

relatively lower per-unit capital costs.

⚠️ Key Concerns

- ⚠️ **Moderate Return Ratios:** ROE of 10.4% and ROCE of 12.4% are below the 15%+ benchmark that top-tier hospitals achieve. Improvement here is critical for sustained re-rating.
- ⚠️ **Geographic Concentration:** Heavy dependence on NCR means any local economic slowdown, regulatory change, or competitive shock can disproportionately impact revenues.
- ⚠️ **Execution Risk on Expansion:** Scaling rapidly across new cities while maintaining clinical quality and financial discipline is operationally challenging. Missteps in new markets could dent margins temporarily.
- ⚠️ **Valuation Premium:** At a PE of 47.9x, the stock is pricing in near-perfect execution. Any earnings disappointment could trigger a sharp correction in the short term.
- ⚠️ **Talent Retention:** Retaining top surgeons and specialist doctors — who often hold enormous patient loyalty — is a persistent challenge in the mid-sized hospital segment.

🔍 SWOT Analysis

Yatharth Hospital & Trauma Care Services sits at an exciting inflection point. Its **core strengths** — a trusted clinical brand, near-zero debt, and explosive earnings growth — provide a durable competitive foundation in the NCR healthcare market. However, **weaknesses** such as geographic concentration and still-moderate return ratios remind investors that the story is still maturing. The **opportunity canvas** is enormous: India's healthcare underpenetration, rising insurance coverage, and Tier-2 city expansion offer multi-year growth runways. Yet **threats** from larger hospital chains, regulatory pricing controls, and talent wars must be monitored closely by discerning investors. 💡

💪 STRENGTHS

- Strong brand recognition in the NCR healthcare market with a loyal patient base
- Diversified specialty mix covering trauma, cardiology, oncology, and critical care
- Asset-light expansion model with low debt (D/E of 0.15) enabling fast scalability
- High EPS growth rate of 57% reflecting strong operational leverage and improving margins

⚠️ WEAKNESSES

- Relatively modest ROE (10.4%) and ROCE (12.4%) compared to leading listed hospital peers
- Geographic concentration in NCR region limits revenue diversification
- Small-cap size means limited financial firepower for large-scale acquisitions

🚀 OPPORTUNITIES

- Underpenetrated Tier-2 and Tier-3 city healthcare market offers massive greenfield expansion potential

- Rising health insurance penetration in India is driving higher in-patient volumes and higher revenue per bed
- Medical tourism and government Ayushman Bharat scheme can add significant patient inflows

THREATS

- Intensifying competition from large hospital chains like Apollo, Fortis, and Max Healthcare expanding into NCR
- Regulatory pricing caps on essential medicines and procedures could compress margins
- Retention of specialist doctors and senior medical talent is a perennial challenge for mid-sized hospitals

* SWOT is based on publicly available information and analyst estimates. Not a buy/sell recommendation.

Profit & Loss (Last 5 Years)

Yatharth Hospital has delivered an impressive financial trajectory over the past five years. Revenue has grown at an estimated **3-year CAGR of approximately 26–28%**, reflecting strong bed additions, improved occupancy, and a richer specialty mix. Net profit growth has been even more pronounced — **outpacing revenue growth significantly** — as operating leverage from higher occupancy translates directly to the bottom line. FY26 estimates suggest the company is firmly on track to cross ₹750–780 crore in revenues with net profit approaching ₹120 crore. 

* Estimated figures in ₹ Crores. Source: Annual reports & public disclosures. Not guaranteed to be accurate.

Risk Factors

- **Regulatory & Pricing Risk:** Government-mandated price caps on stents, implants, and essential medicines directly compress hospital margins. Any expansion of such controls to surgical packages or OPD fees could hurt revenue per patient.
- **Competition from Large Chains:** Apollo Hospitals, Max Healthcare, and Fortis are all aggressively expanding in NCR and Tier-2 UP. Their brand equity, deeper pockets, and established insurance relationships pose a structural competitive threat.
- **Macroeconomic Sensitivity:** A slowdown in consumer spending or a spike in interest rates could delay elective procedures, impacting surgical volumes and ARPOB growth.
- **Medical Negligence & Litigation Risk:** Healthcare is inherently exposed to malpractice claims. Any high-profile adverse event could damage brand equity and invite regulatory scrutiny.
- **Capital Expenditure Overruns:** Hospital construction and medical equipment procurement are prone to cost and timeline overruns. Delays in new hospital operationalisation directly delay revenue realisation.

- **Insurance Dependency Risk:** Growing reliance on cashless insurance payments increases receivable cycles and introduces counter-party risk from insurance companies disputing claims.
- **Key Person Risk:** The promoter-led management structure means significant dependence on a small leadership team. Unexpected exits at the top could unsettle investor confidence.

Value Investing Snapshot

Metric	Value	Signal
Market Price (₹)	₹870	● Fairly Valued (below IV but within range)
PE Ratio	47.9x	● Moderate — priced for high growth
PB Ratio	4.7x	● Moderate for a growing hospital chain
Intrinsic Value (₹)	₹1,672	● ~92% upside potential from CMP
D/E Ratio	0.15	● Strong — near debt-free balance sheet
ROE (%)	10.4%	● Moderate — improving trajectory
ROCE (%)	12.4%	● Moderate — watch for improvement above 15%
Revenue CAGR (3Y)*	~27%	● Strong — consistent top-line growth
Profit CAGR (3Y)*	~50%	● Exceptional — strong operating leverage
Promoter Holdings (%)	55.80%	● Strong — majority promoter ownership
Pledging (%)	N/A (0%)	● Excellent — zero pledging risk

* Revenue CAGR (3Y) and Profit CAGR (3Y) are analyst estimates based on publicly available financial trends and may differ from audited figures. All other metrics are based on verified filings data.

Legend: ● Green = Strong/Attractive | ● Yellow = Moderate | ● Red = Weak/Caution

💡 **Intrinsic Value Note:** The intrinsic value of ₹1,672 is calculated using the Benjamin Graham-inspired formula: $IV = EPS \times (8.5 + 2G) \times 6\% / 8\%$, where EPS = ₹18.20 and G (EPS growth rate) = 57%. At the current market price of ₹870, the stock trades at a **~48% discount to intrinsic value**, offering a meaningful margin of safety for disciplined value investors. Use the [Futurecaps Intrinsic Value Calculator](#) to run your own scenarios.

About Futurecaps

Futurecaps is a **SEBI-registered investment research platform** dedicated to helping India's retail investors discover high-quality multibagger stocks before they hit the mainstream radar. Trusted by **thousands of smart investors** across the country, Futurecaps combines rigorous fundamental

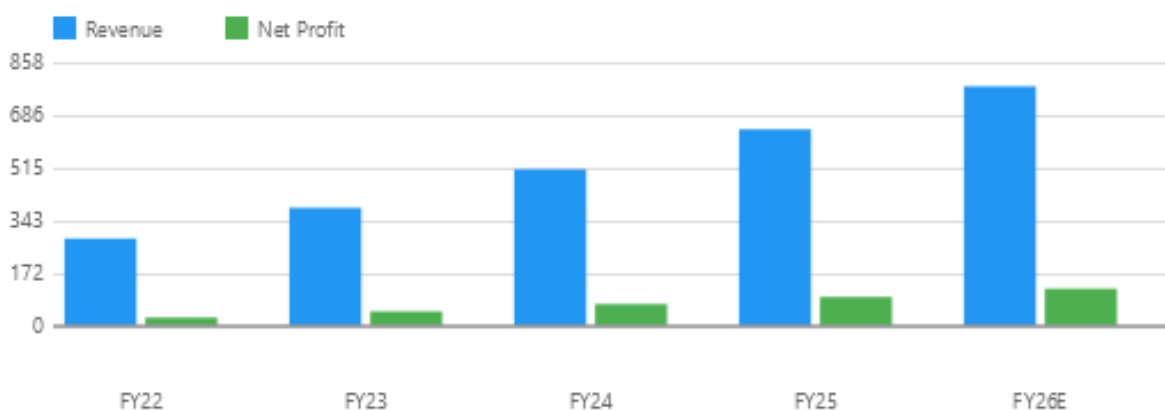
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💡 About Value Investing

Value investing is the time-tested art of buying great businesses at prices **below their intrinsic worth** — pioneered by Benjamin Graham and perfected by Warren Buffett. The core idea is simple: markets are often irrational in the short term, creating windows where outstanding companies trade at significant discounts to their true value. By calculating intrinsic value and waiting for that margin of safety, value investors systematically tilt the odds in their favour. Want to calculate the intrinsic value of any stock yourself? Try the [Futurecaps Intrinsic Value Calculator](#) — it is free, fast, and built specifically for Indian equity markets. 💰🏆

📊 Profit & Loss

Yatharth Hospital & Trauma Care Services revenue grew from ₹285 Cr (FY22) to ₹780 Cr (FY26E), a 29% CAGR. Net profit expanded from ₹28 Cr to ₹122 Cr (44% CAGR), reflecting strong operating leverage.



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