MANIPAL HEALTH ENTERPRISES LTD

IPO NOTE | 28nd JULY, 2026

Canara Bank Securities Ltd
canmoney.in

ABOUT THE COMPANY: Manipal Health Enterprises Limited is a healthcare service provider, operating a large network of multi-specialty hospitals, clinics, and diagnostic centres across the country. The company offers a wide range of healthcare services including tertiary and quaternary care, organ transplants, oncology, cardiology, neurology, orthopaedics, and preventive healthcare.

KEY BUSINESS INSIGHTS: MHEL holds the #1 position by bed capacity in three major clusters Karnataka, Maharashtra and Goa, and Eastern India (West Bengal, Odisha, Jharkhand, and Sikkim). Three-Metro Advantage- It is the only private network leading in three major metro markets Bengaluru, Kolkata, and Pune—which serve as critical referral hubs for high-complexity care. The company focuses on the CONGO-R specialties (Cardiac, Oncology, Neuro, Gastro, Ortho, and Renal), which are high-complexity areas. These specialties accounted for 64.30% of gross inpatient revenue in Fiscal 2026. Between Fiscal 2021 and 2026, MHEL was the most active consolidator in the Indian private hospital sector, adding 5,548 beds through strategic acquisitions.

OUR VIEWS: Incorporated in 2010, Manipal Health Enterprises Limited is a healthcare service provider, operating a large network of multi-specialty hospitals, clinics, and diagnostic centers across the country. Risks include company's revenue is derived from its hospitals in Karnataka, which accounted for 46.40% of revenue. The company had aggregate outstanding borrowings of ₹11,185.0 Crore. Manipal Health is in Regulatory Compliance industry where continually renew multiple licenses and permits. The opportunity for company includes is in high industry TAM with CAGR of 10-12% by FY2030 driven by infrastructure gap with only 16 beds per 10,000 people as compared to a global average of 33 beds. India had only 10 physicians and 26 nursing/midwifery personnel per 10,000 population, well below the global medians of 19 and 39, respectively. India's population is aging, with approximately 13% projected to be over 60 by CY2030, increasing chronic non-communicable diseases. Treatment costs in India are a fraction of those in developed nations (e.g., heart bypass surgery is ~1/27th of the cost in the US). We recommend a "**Subscribe** "rating to the IPO. This stance is driven by the company's acquisitions lead Growth are a primary trend for high topline growth, where currently company operated 49 hospitals with 13,037 licensed beds. The company valued at EV/EBITDA of 61.82x, which appears to be over-valued but supported with high topline, margin and profit CAGR for last three year compare to peers. Additionally, the company's plans to add 2,426 licensed beds by 2030 through a mix of brownfield, and greenfield projects which leads to drives high topline growth in future.

SUBSCRIBE

ISSUE DETAILS	
Price Band (in ₹ per share)	560.00 - 590.00
Issue size (in ₹ Crore)	9,275.22
Fresh Issue (in ₹ Crore)	8,000
Offer for Sale (in ₹ Crore)	1,275
Issue Open Date	29-07-2026
Issue Close Date	31-07-2026
Tentative Date of Allotment	03-08-2026
Tentative Date of Listing	05-08-2026
Total Number of Shares (in lakhs)	15,72,07,054
Face Value (in ₹)	2.00
Exchanges to be Listed on	BSE & NSE

APPLICATION	LOTS	SHARES	AMOUNT (₹)
Retail (Min)	1	25	₹14,750
Retail (Max)	13	325	₹1,91,750
S-HNI (Min)	14	350	₹2,06,500
S-HNI (Max)	68	1,675	₹9,88,250
B-HNI (Min)	69	1,700	₹10,03,000

BRLMs: Kotak Mahindra Capital Co.Ltd, Axis Capital Ltd, Goldman Sachs (India), Securities Pvt. Ltd, Jefferies India Pvt. Ltd, JP Morgan India Pvt. Ltd, UBS Securities India Pvt. Ltd, DBS Bank India Limited

PROMOTERS: Dr. Ranjan Ramdas Pai, Manipal Global Health Services , MEMG International Ltd, Kangto Investments Pte. Ltd, Imperius Healthcare Investments Pte. Ltd. Kabru Investments Pte. Ltd.

Brief Financials

PARTICULARS (Rs. Cr) *	FY26	FY25	FY24
Share Capital	235.95	77.06	75.63
Net Worth	8440.92	5865.66	4029.22
Revenue from Operations	10335.8	8242.25	6171.63
EBITDA	2721.87	2261.02	1596.98
EBITDA Margin (%)	26.33	27.43	25.88
Profit/(Loss) After Tax	916.52	1081.67	533.2
EPS (in Rs.)	7.71	9.25	5.27
Net Asset Value (in Rs.)	72.55	50.91	35.6
Total borrowings	10553.4	4766.83	3943.98
P/E	76.52	NA	NA

**Restated consolidated financials; #Calculated at upper price band*

OBJECTS OF THE OFFER

- Repayment/ prepayment, in full or in part, of certain outstanding borrowings and accrued interest thereon availed by one of the Material Subsidiaries, Manipal Hospitals Private Limited
- Acquisition of minority stake in the stepdown Subsidiary, Sahyadri Hospitals Private Limited
- General corporate purposes.

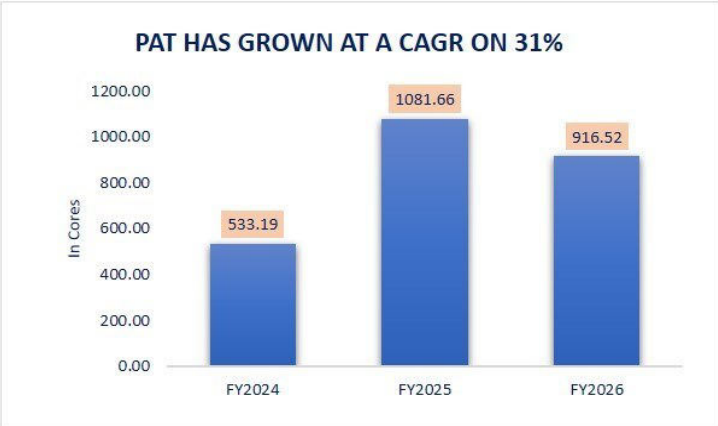
FINANCIAL STATEMENTS

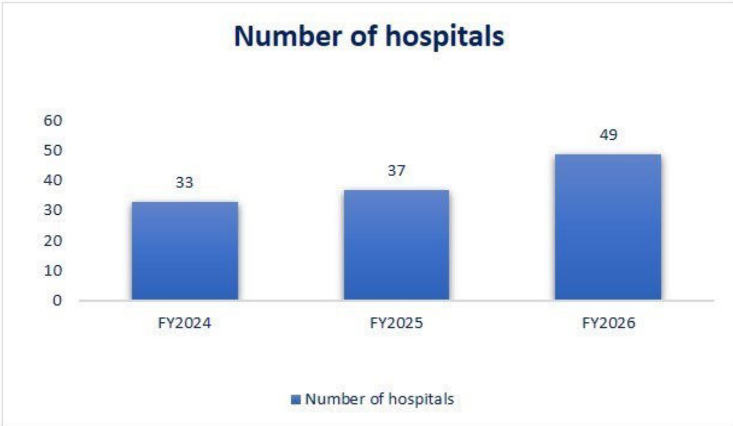
Profit & Loss Statement			
Particulars (In Crores)	**FY2024**	**FY2025**	**FY2026**
INCOME			
Revenue from operations	6171.63	8242.25	10335.75
Other Income	93.54	120.54	184.77
Total Income	**6265.17**	**8362.79**	**10520.52**
YoY Growth (%)	-	33.55%	25.40%
Cost of Materials Consumed	1251.21	1680.04	2116.15
Cost of Materials Consumed -% of Revenu	20.27%	20.38%	20.47%
Changes in inventories of finished goods	-23.09	-7.71	-20.63
Employee benefit expenses	857.04	1219.41	1490.04
Employee Expenses-% of Revenue	13.89%	14.79%	14.42%
Other expenses	2380.32	3216.27	4118.39
EBIDTA (Calculated)	**1596.98**	**2261.02**	**2721.87**
EBIDTA Margin (%)	25.88%	27.43%	26.33%
Depreciation and amortisation expense	397.02	506.84	679.55
EBIT	1199.96	1754.18	2042.32
EBIT Margin (%)	19.44%	21.28%	19.76%
Finance cost	454.93	511.87	864.29
Profit before TAX	**745.03**	**1242.31**	**1178.03**
Tax expenses			
Current tax	248.59	300.19	174.21
Tax pertaining to earlier years	-14.65	-9.47	-3.71
Deferred tax	-22.10	-130.07	91.01
Total tax expenses	**211.84**	**160.65**	**261.51**
Profit for the year	**533.19**	**1081.66**	**916.52**
PAT Margin (%)	8.64%	13.12%	8.87%
Earnings per share			
Basic earnings per share (₹)	5.27	9.25	7.71

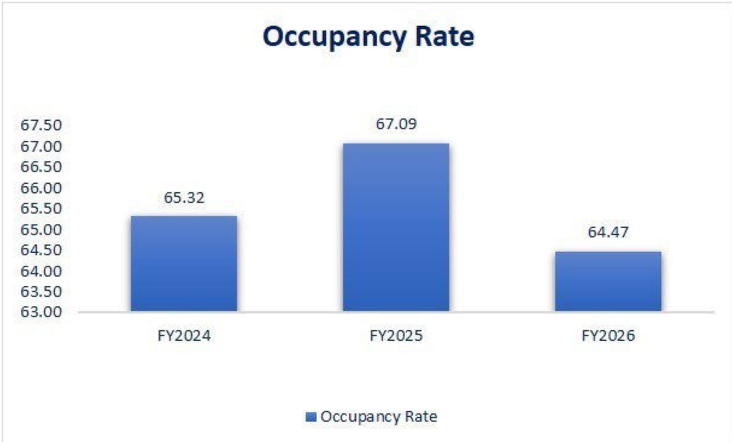
Particulars (In Crores)	2024 (Rs.	2025 (Rs.	2026 (Rs.
Net cash generated from/(used in) operating activities	1388.65	1569.83	2078.40
Net cash generated from/(used in) investing activities	-870.50	-2658.34	-7036.74
Net cash generated from/(used in) financing activities	-250.21	904.08	4954.44
Foreign exchange differences on translation of foreign operations*	0.02	0.10	0.50
Net increase/(decrease) in cash and cash equivalents	**267.96**	**-184.33**	**-3.40**
Cash and cash equivalents at the beginning of the year	68.20	360.88	291.28
Cash and cash equivalents of acquired entities during the year**	24.74	114.83	11.97
Cash and cash equivalents at the end of the year	360.88	291.28	299.35

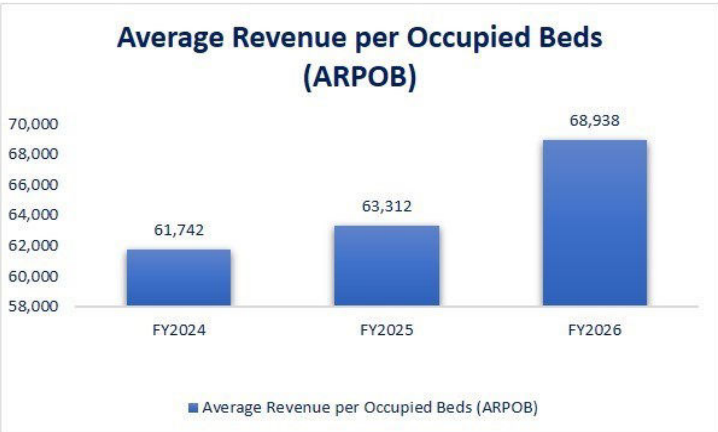
Balance Sheet			
Particulars (In Crores)	**FY2024**	**FY2025**	**FY2026**
ASSETS			
Non-current assets			
Property, plant and equipment	3750.24	4224.73	5840.79
Right-of-use assets	1224.16	1699.75	2385.12
Capital work-in-progress	41.59	614.03	795.30
Goodwill	2759.54	3399.02	8120.57
Other intangible assets	424.49	502.67	2406.39
Intangible assets under development	-	-	-
Investments	116.17	144.91	282.84
Deferred tax assets (net)	61.35	181.61	129.84
Other non-current assets	383.34	450.74	794.66
Total non-current assets	**8760.88**	**11217.46**	**20755.51**
Current assets			
Inventories	103.18	131.93	169.85
Investments	1004.92	1630.76	2392.35
Trade receivables	458.88	637.30	929.76
Cash and cash equivalents	360.88	291.28	299.35
Bank balances other than (iii) above	18.91	39.01	23.86
Loans	1.94	3.38	4.06
Other financial assets	29.29	58.79	173.99
Current tax assets (net)	-	-	-
Other current assets	79.94	62.17	115.78
Total current assets	**2057.94**	**2854.62**	**4109.00**
TOTAL ASSETS	**10818.8**	**14072.08**	**24864.51**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	75.63	77.06	235.95
Other equity	3939.91	5770.28	8190.14
Non-controlling interest	71.97	152.83	372.67
Total equity	**4087.51**	**6000.17**	**8798.76**
LIABILITIES			
Non-current liabilities			
Borrowings	3700.14	4469.98	9948.81
Lease liabilities	1133.67	1548.87	2230.41
Other financial liabilities	0.00	34.96	178.76
Provisions	29.83	39.55	63.17
Deferred tax liabilities (net)	210.94	183.74	282.22
Other non-current liabilities	0.00	0.00	0.00
Total non-current liabilities	**5074.58**	**6277.10**	**12703.37**
Current liabilities			
Borrowings	243.85	296.85	604.62
Lease liabilities	52.59	69.47	79.22
Trade payables	0.00	0.00	0.00
MSME	29.87	36.14	61.21
Other Than MSME	1100.65	1090.45	1403.34
Other Financial Liabilities	62.75	117.73	858.53
Other current liabilities	91.13	112.02	283.98
Provisions	50.69	68.71	70.88
Current tax liabilities (net)	25.21	3.44	0.59
Total current liabilities	**1656.74**	**1794.81**	**3362.37**
TOTAL EQUITY AND LIABILITIES	**10818.8**	**14072.08**	**24864.51**

PERFORMANCE THROUGH CHARTS









INDUSTRY OVERVIEW

Market Overview and Growth Projections

- The Indian healthcare delivery market was valued at approximately ₹7.0 trillion in Fiscal 2025. It is estimated to reach ₹7.6-₹7.8 trillion by Fiscal 2026 and is projected to grow at a CAGR of 10-12% to reach ₹11.2-₹12.2 trillion by Fiscal 2030.
- The In-patient Department (IPD) is the primary revenue driver, accounting for an estimated 71-72% of the market value in Fiscal 2026. While Out-patient Department (OPD) volumes are higher, they contribute less to total revenue.
- The provision of healthcare is increasingly skewed toward private players, whose share of treatments (by value) is expected to rise from 64% in Fiscal 2020 to approximately 69% by Fiscal 2030.

Infrastructure and Personnel Gaps

- India faces a significant infrastructure gap with only 16 beds per 10,000 people as of Fiscal 2025, compared to a global average of 33 beds. To reach the global average, India would need an additional 2.4 million beds.
- The Southern region has the highest bed density at 29-30 per 10,000 people, while the Eastern region is underserved with only 8-9 beds.
- As of CY2022, India had only 10 physicians and 26 nursing/midwifery personnel per 10,000 population, well below the global medians of 19 and 39, respectively.

Key Specialties and Market Segments

- Cardiac sciences lead the market with a 17% share in Fiscal 2026, followed by Oncology at 12%. Complex specialties (CONGO-R: Cardiac, Oncology, Neurosciences, Gastro, Orthopedics, and Renal) are significant revenue enhancers due to the high-acuity nature of the cases.
- Metro cities accounted for 20-25% of the overall market in Fiscal 2026, characterized by high medical tourism and insured populations. Non-metro cities (75-80% of the market) are seeing accelerated growth as leading chains expand into these underserved areas.

Major Growth Drivers

- India's population is aging, with approximately 13% projected to be over 60 by CY2030, increasing the burden of chronic non-communicable diseases
- India is a global hub for affordable, world-class medical care, ranking 10th globally in the Medical Tourism Index (2020-21). Treatment costs in India are a fraction of those in developed nations (e.g., heart bypass surgery is ~1/27th of the cost in the US)
- The adoption of AI, Telemedicine, and Electronic Health Records (EHRs) is improving reach and efficiency, supported by government initiatives like the Ayushman Bharat Digital Mission (ABDM).

COMPETITIVE STRENGTHS OF THE COMPANY

Largest Multispecialty Network in India MHEL is the largest pan-India multispecialty hospital network by bed capacity, operating 13,037 licensed beds as of March 31, 2026. The company has the widest geographical reach among private hospital chains in India, with 49 hospitals spread across 14 states and union territories. MHEL holds the #1 position by bed capacity in three key regions Karnataka, Maharashtra and Goa, and the eastern India cluster of West Bengal, Odisha, Jharkhand, and Sikkim.

Strategic Metro Leadership and Balanced Network It is the only private hospital chain network in India to lead in three major metro markets—Bengaluru, Kolkata, and Pune—by bed capacity. The company maintains a diversified presence with 46.78% of beds in metros and 53.22% in non-metros, allowing it to capture growth from rapidly expanding middle-class populations in underserved areas. Its distributed presence in congested metros improves patient access, while its metro facilities serve as primary referral hubs for surrounding districts.

Widely Recognized Patient-Centric Brand Its flagship hospital, Manipal Hospital Old Airport Road, has been rated the number one hospital in Bengaluru for 20 years. The company served 7.63 million patients in Fiscal 2026. Its patient-centric model focuses on transparency and reducing turn-around-times (TATs) through digital tool adoption. MHEL is an attractive workplace for healthcare professionals, with 11,064 doctors and 11,048 nurses as of March 31, 2026. Its academic and research programs (including 343 DNB/DrNB/FNB seats) create a robust pipeline of skilled clinical talent

Advanced Infrastructure and Quaternary Care Focus MHEL invests heavily in advanced medical technology, including 23 orthopedic and spine surgical robots, 18 soft-tissue surgical robots, and 19 Linear Accelerators (LINACs). The company has a deep focus on high-acuity, complex specialties (Cardiac, Oncology, Neuro, Gastro, Ortho, and Renal), which accounted for 64.30% of gross inpatient revenue in Fiscal 2026. Achievements include Asia's first post-mortem organ revival at the Dwarka facility and performing among the highest reported volumes of robotic-assisted spine surgeries in India.

RISK FACTORS

Geographical Concentration

- A substantial portion of the company's revenue is derived from its hospitals in Karnataka, which accounted for 46.40% of revenue in Fiscal 2026. Any disruption in this region could materially affect operations.
- MHEL is highly dependent on its CONGO-R (Cardiac, Oncology, Neuro, Gastro, Ortho, and Renal) specialties, which contributed 64.30% of gross inpatient revenue in Fiscal 2026. Shifting patient preferences or advancements in alternative treatments for these areas could impact profitability.

Specialty Mix Reliance

- MHEL is highly dependent on its CONGO-R (Cardiac, Oncology, Neuro, Gastro, Ortho, and Renal) specialties, which contributed 64.30% of gross inpatient revenue in Fiscal 2026. Shifting patient preferences or advancements in alternative treatments for these areas could impact profitability.

Acquisition and Integration Risks

- The company has grown aggressively through acquisitions, including Sahyadri, Medica Synergie, and AMRI. Challenges in integrating personnel, technology, and internal controls, or the failure to realize anticipated synergies, could adversely affect financial performance.

Regulatory Compliance

- MHEL must continually renew multiple licenses and permits, including those for bio-medical waste and radiation equipment. It has previously faced suspensions of organ transplant licenses at its Jaipur facility following allegations of non-compliance.

Pricing Regulations

- The healthcare industry is subject to government-imposed price caps on medicines (DPCO) and clinical procedures. These caps can compress profit margins if the company cannot grow revenue in line with rising costs.

Competition

- MHEL faces intense competition from major hospital chains like Apollo, Fortis, and Max Healthcare, as well as government-owned facilities that may have access to cheaper financing.

PEER COMPARISON

Name of the company	Revenue from Operations (in ₹ Cr)	Face Value (Rs per share)	EPS (in Rs)	NAV (Per share Rs)	RoNE (%)	P/E*	EV/ EBITDA*
Manipal Health Enterprises Ltd	10,335.75	2.00	7.71	72.55	10.57	76.52	61.82
Apollo Hospitals Enterprise Ltd	25,228.50	5.00	135.04	NA**	NA**	65.35	33.69
Fortis Healthcare Ltd	9,127.84	10.00	13.80	NA**	NA**	68.77	34.34
Max Healthcare Institute Ltd	10,065.00	10.00	14.83	NA**	NA**	74.31	45.73

*P/E & EV/EBITDA ratio based on upper price and of IPO, financial details consolidated audited results as of FY26.

Canara Bank Securities Ltd.
(A Wholly Owned Subsidiary of Canara Bank)

Research Desk
Canara Bank Securities Ltd

SEBI: RESEARCH ANALYST REGISTRATION: INH000001253

BSE: INB 011280238, BSE F&O: INF 011280238

NSE: INB 23180232, F&O: INF 231280232, CDS: 231280232

Maker Chambers III, 7th floor,

Nariman Point, Mumbai 400021

Contact No. : 022 - 43603861/62/63

Email id: researchdesk@canmoney.in

Canara Bank Securities Ltd
canmoney.in

Analyst Certification

We/I, Vedana Bhadani, PGDM (Securities Market) NISM, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer (s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation (s) or view (s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Disclosures and Disclaimers

CANARA BANK SECURITIES LTD (CBSL), a wholly owned subsidiary of CANARA BANK, is a SEBI registered intermediary offering broking services to its institutional and retail clients; we also run a proprietary trading desk. CBSL is member of BSE & NSE. We are registered as RESEARCH ANALYST under SEBI (INH000001253). CBSL or its associates do not have an investment banking business. Hence, they do not manage or co mange any public issue. Neither CBSL nor its associates, neither the research analysts nor their associates nor his/her relatives (i) have any financial interest in the company which is the subject matter of this research report (ii) holds ownership of one percent or more in the securities of subject company (iii) have any material conflict of interest at the end of the month immediately preceding the date of publication of the research report OR date of the public appearance (iv) have received any compensation from the subject company in the past twelve months (v) have received any compensation for investment banking merchant banking or brokerage services from the subject company in the past twelve months (vi) have received any compensation for any other product or services from the subject company in the past twelve months (vii) have received any compensation or other benefits from the subject company or third party in connection with the research report. (viii) Research Analyst involved in the preparation of Research report discloses that he /she has not served as an officer, director, or employee of subject company (ix) is involved in market making activity of the company.

We shall adhere to SEBI guidelines from time to time.

We may have earlier issued or may issue in future reports on the companies covered herein with recommendations/ information inconsistent or different those made in this report. We may rely on information barriers, such as "Chinese Walls" to control the flow of information contained in one or more areas within us, or other areas, units, groups or affiliates of CBSL. The Research Desk does not solicit any action based on the material contained herein. It is for the general information of the clients / prospective clients of CBSL. CBSL will not treat recipients as clients by virtue of their receiving the research report. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of clients / prospective clients. Similarly, the Research Desk does not have regard to the specific investment objectives, financial situation/circumstances and the particular needs of any specific person who may receive it. The securities discussed in the report may not be suitable for all investors. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Persons who may receive the research report should consider and independently evaluate whether it is suitable for his/ her/their particular circumstances and, if necessary, seek professional/financial advice. And such person shall be responsible for conducting his/her/their own investigation and analysis of the information contained or referred to in the research report and of evaluating the merits and risks involved in the securities forming the subject matter of the reports. All projections and forecasts in research reports have been prepared by our research team.

The client should not regard the inclusion of the projections and forecasts described herein as a representation or warranty by CBSL For these reasons; The client should only consider the projections and forecasts described in the research reports after carefully evaluating all of the information in the report, including the assumptions underlying such projections and forecasts. Past performance is not a guide for future performance. Future returns are not guaranteed and a loss of original capital may occur. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. We do not provide tax advice to our clients, and all investors are strongly advised to consult regarding any potential investment. CBSL or its research team involved in the preparation of the research reports, accept no liabilities for any loss or damage of any kind arising out of the use of these reports. The technical levels and trend etc mentioned in our reports are purely based on some technical charts/levels plotted by software used by us and these charts/levels are believed to be reliable. No representation or warranty, express or implied is made that it is accurate or complete. The recommendation expressed in the reports may be subject to change. The recommendations or information contained herein do/does not constitute or purport to constitute investment advice in publicly accessible media and should not be reproduced, transmitted or published by the recipient. This research reports are for the use and consumption of the recipient only. This publication may not be distributed to the public used by the public media without the express written consent of CBSL. The Research reports or any portion hereof may not be printed, sold or distributed without the written consent of CBSL. The research report is strictly confidential and is being furnished to client solely for client's information, may not be distributed to the press or other media and may not be reproduced or redistributed to any other person. The opinions and projections expressed herein are entirely based on certain assumptions & calculations and are given as part of the normal research activity of CBSL and are given as of this date and may be subject to change. Any opinion estimate or projection herein constitutes a view as of the date of this report and there can be no assurance that future results or events will be consistent with any such opinions, estimate or projection. The report has not been prepared by or in conjunction with or on behalf of or at the instigation of, or by arrangement with the company or any of its directors or any other person. Any opinions and projections contained herein are entirely based on certain assumptions and calculations. None of the directors of the company or any other persons in the research team accepts any liability whatsoever for any loss arising from any use of the research report or its contents or otherwise arising in connection therewith. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that the client has read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India (SEBI) before investing in Securities Market. Please remember that investment in stock market is subject to market risk and investors/traders need to do study before taking any position in the market.