

Manipal Health Enterprises Ltd – IPO Investment Note

Issue Open	Issue Close	Price Band (₹)	Rating
29 th July 2026	31 st July 2026	₹560-590	Subscribe

Investment Summary

Manipal Health Enterprises Limited operates one of India's leading multi-specialty healthcare networks under the "**Manipal Hospitals**" brand, providing comprehensive tertiary and quaternary healthcare services supported by advanced medical infrastructure, technology and clinical expertise. As of March 31, 2026, the company operated 49 hospitals with 13,037 licensed beds across 14 states and Union Territories, making it the largest pan-India multi-specialty hospital network by bed capacity. In **FY26**, the company reported revenue from operations of **₹10,335.75 crore** and profit after tax of **₹916.52 crore**. The IPO, priced in the range of **₹560–₹590 per share**, comprises a Fresh Issue of 13.56 crore equity shares aggregating up to ₹8,000 crore and an Offer for Sale of 2.16 crore equity shares aggregating up to ₹1,275 crore. The net proceeds from the Fresh Issue are proposed to be utilized primarily towards repayment or prepayment of borrowings, acquisition of a minority stake in Sahyadri Hospitals Private Limited, and general corporate purposes. Backed by a strong brand franchise, diversified geographic presence and a proven track record of both organic expansion and strategic acquisitions, the company is well positioned to benefit from the long-term growth in India's organized healthcare sector. However, execution of its expansion strategy, integration of acquired hospitals and geographic concentration of revenue remain key monitorable.

Company Overview

Manipal Health Enterprises Limited was originally incorporated as '**Manipal Health Enterprises Private Limited**' on **February 15, 2010**, in Bengaluru, Karnataka, and was subsequently converted into a public limited company under its present name on December 24, 2025. The company operates under the flagship "Manipal Hospitals" brand and is the largest pan-India multi-specialty hospital network by bed capacity. As of September 30, 2025, on a pro forma basis (giving effect to the Sahyadri acquisition), it operated 48 hospitals with 12,367 licensed beds across 14 states and Union Territories, providing comprehensive tertiary and quaternary healthcare services across key specialties including cardiac sciences, oncology, neurosciences, gastro sciences, orthopedics and renal sciences. Over the years, the company has strengthened its market position through a balanced strategy of organic capacity expansion and strategic acquisitions, enabling it to build a diversified presence across India's major healthcare markets. It is backed by a well-established promoter group led by Dr. Ranjan Ramdas Pai, together with Manipal Global Health Services, MEMG International Ltd., Kangto Investments Pte. Ltd., Imperius Healthcare Investments Pte. Ltd., and Kabru Investments Pte. Ltd. The company is led by Managing Director & CEO Dilip Jose, who brings over 36 years of leadership experience, including 23 years in hospital management.

Business Model

Manipal Health Enterprises Limited operates one of India's largest integrated multi-specialty healthcare delivery platforms, providing tertiary, quaternary and ancillary healthcare services through its network of hospitals across multiple states and Union Territories. The company offers a comprehensive portfolio of medical services spanning key specialties including cardiac sciences, oncology, neurosciences, gastro sciences, orthopaedics, renal sciences, transplantation, critical care and mother & child care, supported by advanced diagnostic, pharmacy and homecare offerings. Its diversified hospital network caters to patients across emergency, inpatient and outpatient segments, enabling a balanced revenue mix while strengthening patient retention through an integrated continuum of care. The company follows a hub-and-spoke operating model, with flagship tertiary and quaternary care hospitals supported by secondary care facilities and outpatient centres, allowing efficient utilization of medical infrastructure and specialist resources. In addition to organic capacity expansion through brownfield and greenfield developments, Manipal Health has consistently strengthened its market position through strategic acquisitions, expanding its geographic presence and clinical capabilities across key healthcare markets in India.

The acquisition of Sahyadri Hospitals further enhances its footprint and reinforces its position as the largest pan-India multi-specialty hospital network by bed capacity on a pro forma basis.

Revenue is primarily generated from inpatient and outpatient healthcare services, supported by diagnostics, pharmacy, preventive healthcare and other ancillary medical services. The company's diversified specialty mix, experienced medical professionals, established brand recognition and focus on clinical excellence enable it to attract patients across domestic and international markets while maintaining strong occupancy levels and case complexity. Going forward, the company intends to expand its healthcare network through capacity additions, operational efficiency initiatives, technology adoption and selective acquisitions, positioning itself to benefit from the growing demand for organized healthcare services in India.

Investment Rationale

Leading Pan-India Multi-Specialty Hospital Network: Manipal Health is the largest pan-India multi-specialty hospital network by bed capacity on a pro forma basis following the Sahyadri acquisition. As of September 30, 2025, the company operated 48 hospitals with 12,367 licensed beds across 14 states and Union Territories, providing it with a diversified geographic presence and reducing dependence on any single regional market. Its established "Manipal Hospitals" brand, combined with a wide clinical network and strong physician ecosystem, positions the company to benefit from the increasing shift towards organized healthcare providers.

Comprehensive Healthcare Platform with Diversified Specialty Mix: The company offers a comprehensive range of tertiary and quaternary healthcare services across key specialties including cardiac sciences, oncology, neurosciences, gastro sciences, orthopedics and renal sciences. Its integrated healthcare ecosystem, supported by diagnostics, pharmacy and other ancillary services, enables cross-referrals, improves patient retention and enhances revenue generation across the care continuum.

Scalable Growth Through Capacity Expansion and Strategic Acquisitions: Manipal Health has consistently expanded its network through a balanced strategy of organic capacity additions and strategic acquisitions, strengthening its presence across key healthcare markets. The acquisition of Sahyadri Hospitals further expands its operational footprint and bed capacity, while ongoing brownfield and greenfield expansion initiatives are expected to support future patient volumes and operating leverage.

Strong Brand Recognition and Experienced Clinical Leadership: The company has established the "Manipal Hospitals" brand as one of India's leading healthcare providers through decades of clinical expertise, quality healthcare delivery and patient trust. Supported by an experienced management team and a large network of healthcare professionals, the company has developed strong capabilities in operating large multi-specialty hospitals while maintaining high standards of clinical care and operational efficiency.

Favorable Long-Term Healthcare Industry Outlook: India's healthcare sector continues to benefit from rising healthcare expenditure, increasing health insurance penetration, growing incidence of lifestyle diseases, an ageing population and rising demand for quality tertiary and quaternary healthcare services. As one of the country's largest organized hospital operators with a diversified network and scalable business model, Manipal Health is well positioned to capitalize on these long-term structural growth opportunities.

Key Risk Factors

High Capital Intensity and Capacity Expansion Risk: The hospital business requires significant capital expenditure for setting up new facilities, expanding bed capacity and upgrading medical infrastructure. Any delay in commissioning new projects, cost overruns or lower-than-expected utilization of new capacity could adversely impact profitability and returns on investment.

Integration Risk from Strategic Acquisitions: Manipal Health has expanded its network through multiple strategic acquisitions, including Sahyadri Hospitals. Any challenges in integrating acquired hospitals, standardizing clinical practices or realizing expected operational synergies could impact financial performance and operational efficiency.

Dependence on Healthcare Professionals: The company's operations are dependent on its ability to attract, retain and engage experienced doctors, surgeons, nurses and other healthcare professionals. The loss of key medical personnel or inability to recruit qualified professionals could affect service quality, patient volumes and business growth.

Regulatory and Compliance Risk: The healthcare industry is highly regulated and requires numerous approvals, licenses and accreditations. Any changes in healthcare regulations, pricing policies, licensing requirements or non-compliance with applicable laws could adversely affect the company's operations and financial performance.

Concentration of Revenue from Hospital Operations: A substantial portion of the company's revenue is generated from its hospital business. Any decline in patient footfalls, lower occupancy levels, changes in payer mix, disease patterns or disruption in hospital operations could materially impact revenue generation and profitability.

Exposure to Medical and Legal Risks: Hospital operations involve inherent clinical, operational and medico-legal risks. Any adverse patient outcomes, medical negligence claims, litigation or reputational damage may result in financial liabilities and affect the company's brand reputation.

Financial Snapshot

Metric	In Cr		
	FY24	FY25	FY26
Revenue from Operations	6171.63	8242.25	10335.76
EBITDA	1696.59	2165.36	2644.15
EBITDA Margin	27.49%	26.27%	25.58%
Profit After Tax (PAT)	533.20	1081.67	916.52
PAT Margin	8.64%	13.12%	8.87%
Basic EPS (₹)	5.27	9.25	7.71

IPO Details and Use of Proceeds

Parameter	Details
Issuer	Manipal Health Enterprises Limited
IPO Issue Size	15,72,07,054 shares (agg. up to ₹9,275 Cr) Fresh Issue 13,55,93,220 shares (agg. up to ₹8,000 Cr) Offer For Sale 2,16,13,834 shares of ₹2 (agg. up to ₹1275 Cr)
Price Band	₹560 – ₹590 per share
Face Value	₹2 per share
IPO Opening Date	29 July 2026
IPO Closing Date	31 July 2026
Listing	NSE / BSE
Promoter Holding (Pre/Post)	Pre-IPO: ~81.43% → Post-IPO: ~72.08%
Book Running Lead Managers	Kotak Mahindra Capital Company Limited, Axis Capital Limited, Goldman Sachs (India) Securities Private Limited, Jefferies India Private Limited, J.P. Morgan India Private Limited, UBS Securities India Private Limited, DBS Bank India Limited.
Use of Proceeds	Funding capital expenditure for the establishment of new hospitals and expansion of existing hospitals; repayment/prepayment of certain borrowings; and general corporate purposes.

Valuation and Outlook

At the **upper price band of ₹590**, Manipal Health Enterprises Limited is valued at an **FY26 P/E of 76.52x**, based on the **FY26 Basic EPS of ₹7.71**, implying a post-issue **market capitalization of approximately ₹77,585 crore**. The valuation is at a **premium to Apollo Hospitals Enterprise Limited (66.15x)** and **Fortis Healthcare Limited (70.22x)**, while remaining broadly in line with **Max Healthcare Institute Limited (74.55x)**. The premium valuation reflects the company's leadership position as India's largest pan-India multi-specialty hospital network by bed capacity, strong brand recognition, diversified geographic presence and consistent execution through both organic expansion and strategic acquisitions. The company is well positioned to benefit from favorable long-term industry trends, including rising healthcare expenditure, increasing health insurance penetration and growing demand for organized tertiary and quaternary healthcare services. However, successful integration of acquisitions, execution of expansion plans and sustaining profitability across its growing network will remain key monitorable. Considering its strong market position, scalable business model and long-term growth prospects, we recommend a **Subscribe** rating on the IPO for investors with a **medium to long-term investment horizon**.

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