



LONG TERM SUBSCRIBE

IPO Report

22nd Oct 26

Snapshot

Company is a clinical specialty-led hospital platform providing tertiary and quaternary healthcare services through a network of eight hospitals with an aggregate bed capacity of 2,211 beds as of June 30, 2026 across North India, Bihar and Jharkhand. Company operate under the "Paras Health" brand, with a presence in five states and one union territory - Gurugram and Panchkula in Haryana; Patna and Darbhanga in Bihar; Kanpur in Uttar Pradesh; Udaipur in Rajasthan; Ranchi in Jharkhand; and Srinagar in the union territory of Jammu and Kashmir

VALUATION

Company is bringing the issue at price band of Rs 660-693 per share at p/e multiple of 38x on post issue annualized Q1FY27 basis.

Company is one of the largest healthcare providers in North India, Bihar and Jharkhand with a first mover advantage and a well-recognized brand with strong focus on Tertiary and Quaternary Care with high contribution from CONGOR specialties. Also, company has capital-efficient and flexible operating model with disciplined expansion. Hence, we recommend "Long term Subscribe" to issue.

Price Band (Rs./Share)	660-693
Opening date of the issue	21 st Oct '2026
Closing Date of the issue	23 rd Oct '2026
No of shares pre issue	10,09,86,187 Eq Shares
Issue Size	Rs 1450 Cr
Fresh Issue	Rs 500 Cr
Offer For Sale	Rs 950 Cr
Face Value (Rs/ share)	Rs 1/share
Bid Lot	21

BIDDING DETAILS

QIBs (Including Anchor)	50% of the offer
Non-Institutional	15% of the offer
Retail	35% of the offer
Lead managers	JM Financial Ltd, BOFA Securities India Ltd, Nuvama Wealth Management
Registrar to the issue	MUFG Intime India Private Limited

WHAT WE LIKE

One of the Largest Healthcare Providers in North India, Bihar and Jharkhand with a First Mover Advantage and a Well-Recognized Brand

Company is one of the largest healthcare providers in North India, Bihar and Jharkhand in terms of bed capacity, with 2,211 beds across eight hospitals as of June 30, 2026. Company established its first hospital in Gurugram, Haryana in 2006 with a vision to provide accessible, high-quality healthcare services in North India. As of June 30, 2026, company operate eight hospitals in five states and one union territory in India, which offer geographic diversification while allowing it to maintain a regional focus.

Strong Focus on Tertiary and Quaternary Care with High Contribution from CONGOR Specialties

Company's hospitals are designed to deliver tertiary and quaternary care with deep clinical capabilities across CONGOR specialties and an ability to treat complex and high-acuity cases. While company offer a broad range of specialties across its hospitals, its clinical model emphasises specialty depth, enabling the delivery of advanced procedures, complex surgeries and quaternary care programs.

Capital-Efficient and Flexible Operating Model with Disciplined Expansion

Company operate its hospitals through a calibrated mix of owned, leased, revenue-sharing and public-private partnership models, allowing company to tailor capital deployment to market characteristics while maintaining long-term operational control. Its flexible operating model enables lower upfront capital intensity, faster market entry in identified white-space markets and adherence to defined return on invested capital thresholds. Company's expansion decisions are guided by clearly defined financial return criteria, balance sheet strength and long-term scalability considerations, supporting disciplined growth across its hospital network.



COMPANY BACKGROUND

Company have a committed pipeline for expansion of company's network, with the planned addition of a hospital with a bed capacity of 300 beds in Gurugram and a hospital with a capacity of 500 beds in Ludhiana, which it intend to launch by Fiscal 2027 and Fiscal 2028, respectively. Company expect to increase its total bed capacity across its hospitals to 3,011 beds by March 31, 2028. Over company's 20-year operating history, company have developed specialty clusters within company's hospitals through investments in advanced clinical infrastructure, skilled medical talent and standardized care protocols. Company's hospitals are designed to deliver high-acuity care and offer treatments across a broad spectrum of clinical specialties, with a deep focus on cardiac sciences, oncology sciences, neuro sciences, gastro sciences, orthopedics and sports injury, and renal sciences (collectively, "CONGOR"). These CONGOR specialties accounted for 74.35%, 75.30%, 74.70%, 71.92% and 72.34% of its revenue from operations in the three months period ended June 30, 2026 and June 30, 2025, and Fiscals 2026, 2025 and 2024, respectively. As of June 30, 2026, company had 1,084 doctors and 1,937 nurses across company's hospital network.

Company established its first hospital in Gurugram, Haryana in 2006 with 200 beds, making company the first corporate hospital entrant among its listed peers in the city. Over the years, company have expanded its hospital platform in a largely organic manner, focusing on operationalizing and scaling hospitals through internal accruals and debt financing, with limited equity infusions. Company have increased its total bed capacity from 2,135 beds as of March 31, 2024 to 2,211 beds as of June 30, 2026, and are one of the largest healthcare providers in North India, Bihar and Jharkhand in terms of bed capacity as of June 30, 2026. Company have consistently identified underserved markets with large catchment populations where it believe there is a need for high-quality tertiary and quaternary care, strong demand for healthcare services, as well as proximity to medical colleges to source medical professionals; and have set up hospitals in these locations.

Maturity Profile of its Hospitals

Company's eight hospitals are at different stages of operational maturity, which correlates to their occupancy levels, margins and growth trajectories. Company categorize its hospitals based on maturity as follows:

- *Mature Hospitals* – these include company's hospitals in Gurugram, Patna, Panchkula and Darbhanga that have been operational for over seven years, and have demonstrated stable and growing occupancy levels, strong clinical reputation and consistent margin expansion;
- *Emerging Hospitals* - these include company's hospitals in Ranchi and Udaipur that have been operational for a period between four to seven years, and have shown improving occupancy levels and margin expansion as their scale of operations builds; and
- *New Hospitals* – these include its hospitals in Srinagar and Kanpur that have been operational for less than four years, and are expected to follow a similar growth trajectory in the coming years through occupancy improvement, addition of specialties and operating leverage.

This balanced mix of mature, emerging and New Hospitals enables company to combine stable cash generation with visible growth headroom, and has supported consolidated margin expansion over time as newer hospitals increase their occupancy levels.

Company's Operating Model

Company operate its hospitals through a mix of owned, leased, revenue-sharing and public-private partnership models, and have adopted a calibrated approach to capital deployment, evaluating capital-efficient structures selectively based on market characteristics, capital efficiency considerations and long-term operating control. Company's leased facilities are structured through fixed rent, revenue sharing or hybrid arrangements comprising a partial fixed rent and a partial revenue share. Its growth decisions are guided by defined return thresholds and the strength of company's balance sheet.

OBJECTS OF OFFER

The Offer comprises the Offer for Sale and the Fresh Issue.

Company proposes to utilise the Net Proceeds towards funding the following objects:

- Prepayment or scheduled re-payment, in full or part, of certain outstanding borrowings availed by Company
- Investment in its wholly owned Subsidiary, PMHPL (which also operates company's hospital in Srinagar), for repayment/prepayment of borrowings, in full or part, of PMHPL

RISKS

Company has incurred losses during the three months period ended June 30, 2025 and Fiscals 2025 and 2024 of ₹ (10.24) million, ₹ (579.83) million and ₹ (153.31) million, respectively, on a consolidated basis. While company was profitable in the three months period ended June 30, 2026 and Fiscal 2026, company cannot assure that it will continue to remain profitable in the future.



Source:RHP

Consolidated Financials
(Rs in Mn)

Financials	FY24	FY25	FY26	Q1FY27
Total Revenue (A)	11290.39	12940.63	16059.52	4702.78
Total Expenditure (B)	9966.12	11577.5	12932.07	3652.7
EBIDTA	1324.27	1363.17	3127.45	1050.09
EBIDTA Margin	11.73	10.53	19.47	22.33
Other Income	219.84	201.44	228.32	84.68
Depreciation	807.17	1155.78	1435.66	351.10
EBIT	736.94	408.83	1920.11	783.67
Interest	670.64	909.19	1159.78	302.47
PBT	66.30	-500.36	760.33	481.20
Share of profit in Asso	0.00	0.00	0.00	0.00
PBIT	66.30	-500.36	760.33	481.20
Exceptional	0.00	0.00	0.00	0.00
PBT	66.30	-500.36	760.33	481.20
Tax	219.61	79.47	321.99	-15.62
PAT	-153.31	-579.83	438.34	496.82
NPM	-1.36	-4.48	2.73	10.56
ROE%	-8.32	-18.73	12.98	11.83
EPS	-1.57	-5.94	4.34	4.92
Eq Cap	97.61	97.61	100.99	100.99
Net Worth	3,385.08	2,804.92	3,949.41	4,449.60

(Source: RHP)



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