

**ABOUT THE COMPANY:** Hannah Joseph Hospital Limited, founded in 2008 in Madurai, is a 150-bed, multi-specialty tertiary care hospital focused on neurology-led services, accredited by NABH and NABL, promoted by experienced doctors, and empaneled under Tamil Nadu government health schemes.

## KEY BUSINESS INSIGHTS:

Despite a well-established six-floor infrastructure and a sanctioned capacity of 150 beds (with ~88% operational), the hospital continues to report low occupancy levels of only 40–45%, indicating underutilization of assets and pressure on operating leverage. In addition, the company is exposed to geographic concentration risk, as its operations are largely confined to a single region.

While the company has achieved a strong topline CAGR of 19.14% with bottom-line growth, profitability has weakened, reflected in the decline in EBITDA margins from 30% in FY23 to 26.47% in FY25. The expected improvement in ARPOB from the planned radiology expansion is still prospective and execution-dependent, and until occupancy improves, the full benefit of capacity and new services may not be realized.

## OUR VIEW:

Hannah Joseph Hospital Limited, promoted by Dr. Mosesjoseph Arunkumar and Dr. Fenn Kavitha Fenn Arunkumar. Following its relocation and expansion in 2020, the hospital operates a 150-bed, NABH-accredited and NABL-certified multi-speciality facility on a two-acre campus in Madurai, with core focus areas including neurology, cardiology, psychiatry, and trauma care, supported by advanced medical infrastructure. From a financial perspective, the hospital has demonstrated strong growth, with topline revenue increasing from ₹54 crore in FY23 to ₹77 crore in FY25 and net profit rising from around ₹1 crore to ₹7 crore over the same period. The company has also maintained healthy cash generation, with operating cash flows exceeding 2× PAT, while finance costs have reduced by nearly 50% over the past three years. Valuation appears reasonable, with the stock trading at a P/E of about 16×, lower than listed peers.

However, these positives are offset by geographic concentration risk, as operations are limited to a single state in southern India. Considering the overall risk–reward balance, we assign a **NEUTRAL** rating to the issue.

ISSUE DETAILS	
Price Band (in ₹ per share)	67-70
Issue size (in ₹ Crore)	42.00
Fresh Issue (in ₹ Crore)	42.00
Offer for Sale (in ₹ Crore)	00
Issue Open Date	22.01.2026
Issue Close Date	27.01.2026
Tentative Date of Allotment	28.01.2026
Tentative Date of Listing	30.01.2026
Total Number of Shares (in lakhs)	60
Face Value (in ₹)	10.00
Exchanges to be Listed on	BSE SME

APPLICATION	LOTS	SHARES	AMOUNT (₹)
Retail (Min)	2	4000	2,80,000
Retail (Max)	2	4000	2,80,000
S-HNI (Min)	3	6000	4,20,000
S-HNI (Max)	7	14000	9,80,000
B-HNI (Min)	8	16000	11,20,000

**BRLMs:** Capital Square Advisors Pvt.Ltd.

**PROMOTERS:** Mosesjoseph Arunkumar, Fenn Kavitha Fenn Arunkumar, Arunkumar Nalina and Noyel Arunkumar

## BRIEF FINANCIALS

PARTICULARS (Rs. Cr)*	H1FY26	FY25	FY24	FY23
Share Capital***	16.70	16.70	16.70	16.35
Net Worth	53.22	48.93	43.93	34.15
Revenue from Operations	42.55	77.53	63.41	54.62
EBITDA	11.65	20.52	17.98	16.38
EBITDA Margin (%)	27.38	26.47	28.35	29.99
Profit/(Loss) After Tax	5.12	7.21	4.07	1.01
EPS (in Rs.)	3.07	4.32	2.47	0.63
Net Asset Value (in Rs.)	31.87	29.30	26.31	20.88
Total borrowings	24.70	33.58	31.39	42.95
P/E <sup>#</sup>	-	16.20	NA	NA
P/B <sup>#</sup>	-	2.39	NA	NA

\* Restated consolidated financials; #Calculated at upper price band 70\*\*\* bonus issue.

## OBJECTS OF THE OFFER

The Company proposes to utilize the net proceeds towards funding the following objects:

- Capital expenditure for establishing Radiation Oncology Centre.
- General corporate purposes.

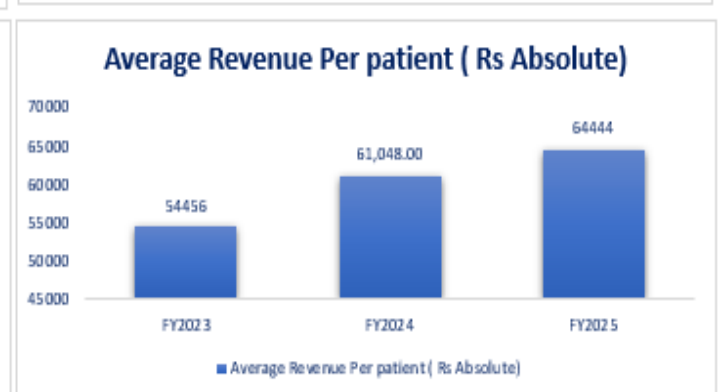
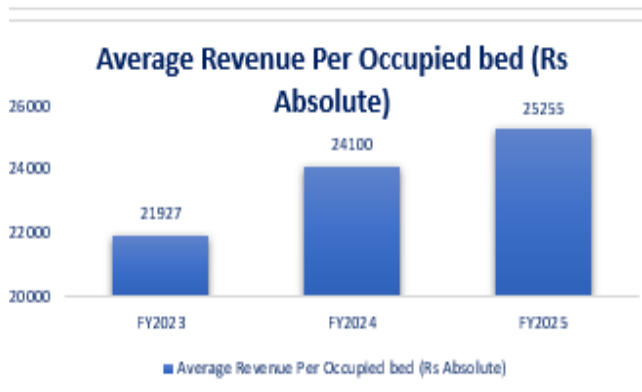
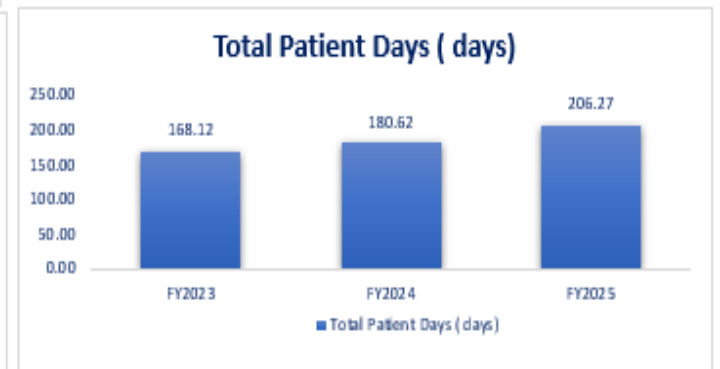
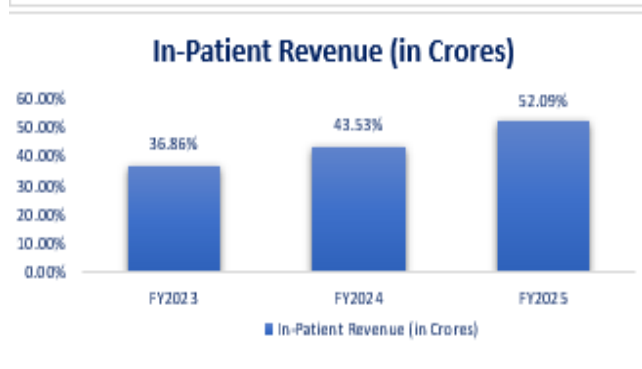
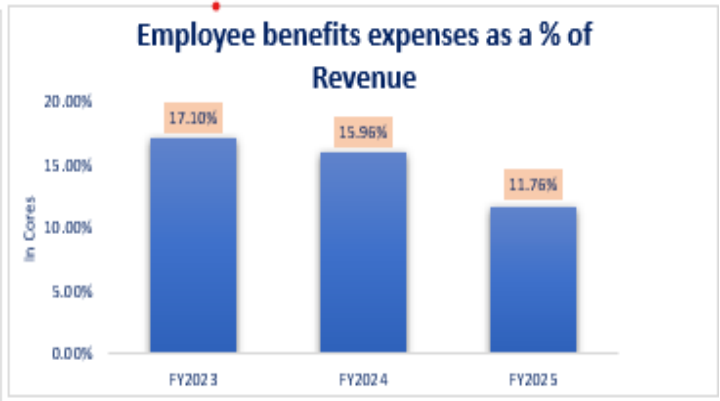
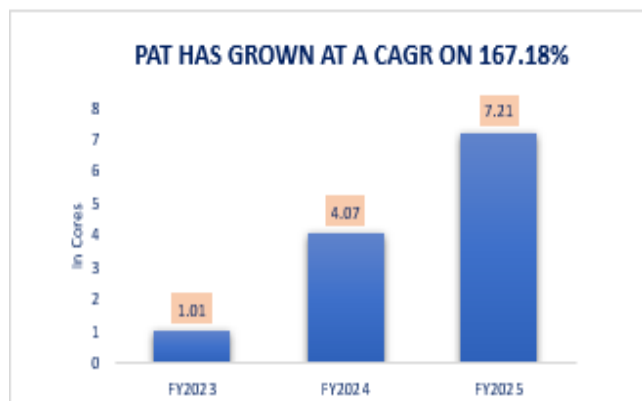
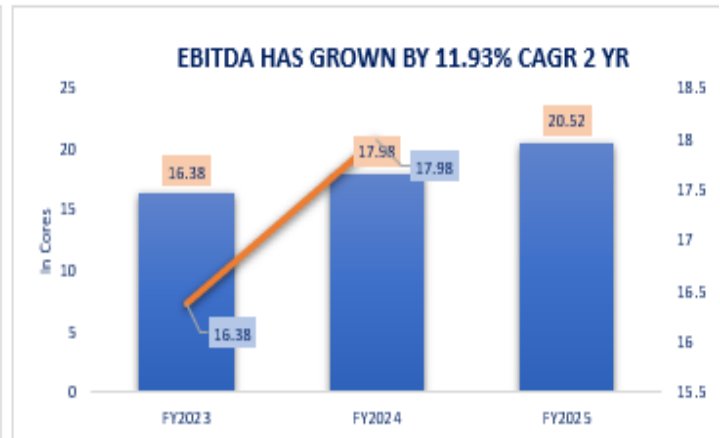
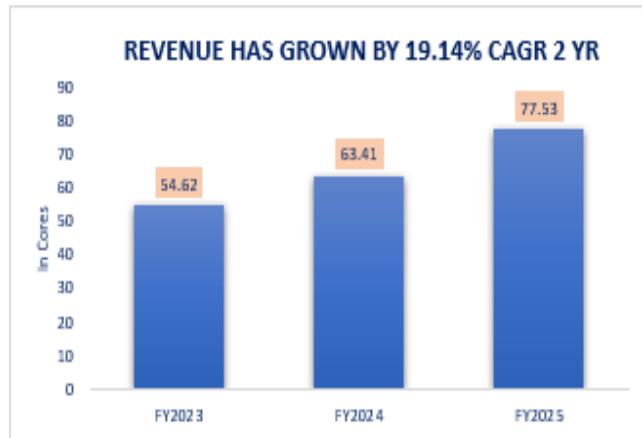
## FINANCIAL STATEMENTS

Profit & Loss Statement			
PARTICULARS (Rs. Cr)	FY2023	FY2024	FY2025
<b>A. REVENUE</b>			
Revenue from Operations	54.62	63.41	77.53
Other Income	0.27	0.22	0.37
Total Income	54.9	63.63	77.9
<b>B. EXPENSES</b>			
Purchase of Traded Goods	8.05	9.14	11.66
Change in Inventories (WIP & Stock)	-0.59	0.12	-0.11
Employee Benefit Expenses	9.34	10.12	9.12
Finance Costs	6.43	4.8	3.47
Depreciation and Amortization	9.35	8.21	7.24
Other Expenses	21.31	25.9	36.17
<b>Total Expenses</b>	<b>53.88</b>	<b>58.29</b>	<b>67.55</b>
<b>Profit Before Tax</b>	<b>1.02</b>	<b>5.34</b>	<b>10.35</b>
Tax Expense:			
Current Tax	0.00	0.01	2.50
Deferred Tax	0.00	1.27	0.63
Income Tax relating to earlier years	0.00	0.00	0.00
Total Tax Expense	0.00	1.28	3.14
<b>Profit After Tax</b>	<b>1.01</b>	<b>4.07</b>	<b>7.21</b>

Cash Flows			
Particulars (In Crores)	FY2023	FY2024	FY2025
Net cash flow from/(used in) operating activities	20.81	8.04	19.60
Net cash flow from/(used in) investing activities	-4.96	-3.60	-13.49
Net cash flow from/(used in) financing activities	-10.43	-2.62	-3.18
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>5.42</b>	<b>1.82</b>	<b>2.93</b>
Cash and cash equivalents at the beginning of the year	1.43	3.86	4.68
<b>Cash and cash equivalents at the end of the year</b>	<b>3.86</b>	<b>4.68</b>	<b>7.62</b>

Balance Sheet			
PARTICULARS (Rs. Cr)	FY2023	FY2024	FY2025
<b>A. ASSETS</b>			
<b>1. Non-Current Assets</b>			
Tangible Assets	71.16	65.28	68.46
Intangible Assets	0.01	0.02	0.72
Capital Work in Progress	0	0	0.64
Financial Assets (Others)	3.75	3.27	3.5
Deferred Tax Assets (Net)	1.9	0.63	0
Other Non-Current Assets	0.41	1.79	3.01
<b>2. Current Assets</b>			
Inventories	1.49	1.37	1.48
Current Investments	0.14	0	0
Trade Receivables	5.56	7.97	8.97
Cash and Cash Equivalents	3.86	4.68	7.62
Bank Balances (Other than Cash)	3	4	4
Financial Assets (Others)	0.03	0.03	0.03
<b>Other Current Assets</b>	<b>0.83</b>	<b>0.93</b>	<b>0.86</b>
<b>TOTAL ASSETS</b>	<b>92.14</b>	<b>89.97</b>	<b>99.29</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
Share Capital	16.35	16.7	16.7
Reserves & Surplus	18.2	29.02	35.24
<b>2. Non-Current Liabilities</b>			
Long-Term Borrowings	29.85	26.45	28.2
Lease Liabilities	5.9	4.64	3.28
Other Financial Liabilities	1.32	0.67	0
Long Term Provision	0.17	0.21	0.26
<b>3. Current Liabilities</b>			
Short Term Borrowings	13.1	4.93	5.38
Trade Payables	2.77	2.59	2.85
Other Financial Liabilities	0.46	0.58	0.74
Other Current Liabilities	4.01	4.18	6.65
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>92.14</b>	<b>89.97</b>	<b>99.29</b>

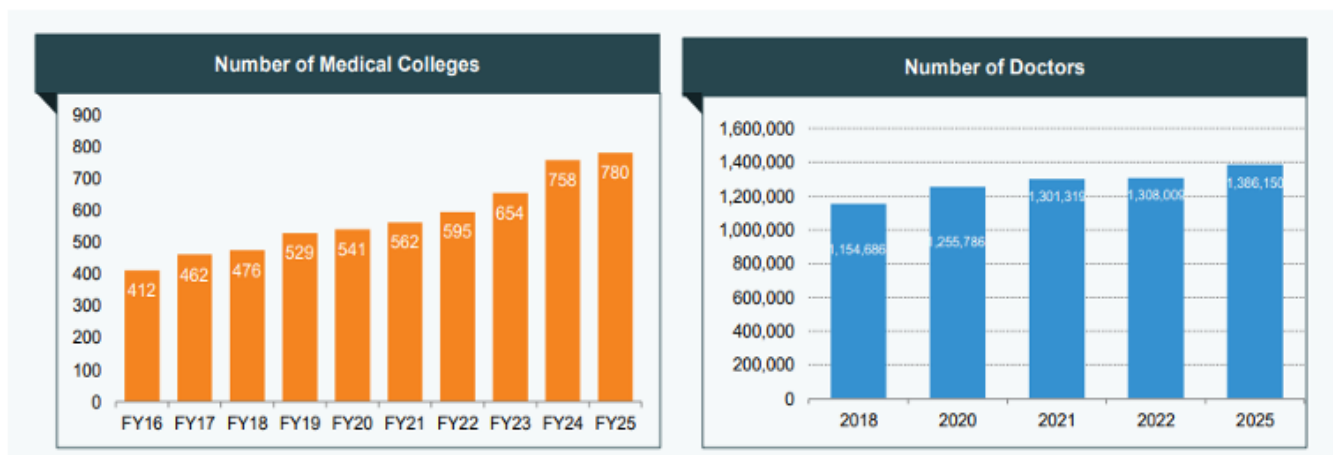
## PERFORMANCE THROUGH CHARTS



## INDUSTRY REVIEW

### OVERVIEW OF THE INDUSTRY IN INDIA

- India's healthcare sector is one of the largest by revenue and employment, growing from US\$110 billion in 2016 to US\$372 billion in 2023, and is projected to reach US\$638 billion by 2025 at a CAGR of 17.5%–22.5%. Healthcare spending accounted for 3.3% of GDP in 2022 and is expected to rise to 5% by 2030, supported by policy focus and rising demand.
- Within this expanding market, Hannah Joseph Hospital Limited (HJHL) has built a strong regional presence. In 2023, a *Times of India* survey ranked it No. 1 in Madurai and among the top 20 neuroscience hospitals in South India, while in 2025, *Outlook* magazine ranked it No. 2 in India for Best Neurosurgery Hospitals.
- Sector growth is driven by rising incomes, an aging population with life expectancy projected at 84 years by 2045, increasing health insurance penetration with premiums of US\$13.84 billion in FY25, growing medical tourism expected to reach US\$14.31 billion by 2029, and government initiatives such as Ayushman Bharat (PM-JAY) and 100% FDI under the automatic route.
- Key industry challenges include shortages of skilled medical professionals, high capital costs for advanced equipment, evolving regulatory requirements, and intense competition from large corporate and government hospitals.
- CRISIL projects domestic PV sales to grow 4–6% CAGR to 5.3–5.7 million units by FY2030, driven by economic growth, rising incomes, premiumization, and expanding EV/CNG infrastructure.





COMPETITIVE STRENGTHS OF THE COMPANY

1. Specialized Clinical Leadership and National Recognition

- The hospital is a leading neuroscience landmark in Madurai and South Tamil Nadu, ranked No. 2 in India for Best Neurosurgery Hospitals by Outlook (2025) and No. 1 in Madurai and among the top 20 in South India for neurosciences by a Times of India survey (2023), and is led by promoters with over two decades of medical experience, including a highly accomplished neurosurgeon as Chairman.

2. Strong Financial Performance and Operational Growth

- The company has demonstrated significant financial momentum, with revenue from operations growing from ₹5,462.32 lakhs in FY2022-23 to ₹7,753.13 lakhs in FY2024-25. This represents a two-year growth of approximately 42%. Profitability has scaled even more aggressively, with Profit After Tax (PAT) increasing from ₹101.06 lakhs to ₹720.99 lakhs over the same period. The facility maintained a robust EBITDA margin of 26.47% in FY2024-25.

3. Advanced Specialized Infrastructure and Technology

- The hospital operates from a 2-acre, centrally air-conditioned campus with 150 beds, featuring advanced infrastructure including a Philips Allura Xper FD20 Neuro Cathlab, dedicated cardiac theatres for complex angioplasty and open-heart surgeries, and cutting-edge technologies such as Brainlab navigation and Flow 800 intraoperative angiography.

4. Rigorous Quality Accreditations and Clinical Standards

- The facility adheres to high clinical protocols, evidenced by its NABH (5th edition) accreditation and NABL 128 certification for its laboratory services. These standards ensure a process-driven approach to patient safety and clinical outcomes. In 2021, the hospital was recipient of the Excellence in Quality Award for the "Best Entry Level NABH Certified Neurology Specialty Hospital" from the Tamil Nadu Government and FICCI.

5. Government Partnerships and Academic Status

- The company ensures steady patient inflow through empanelment under key government schemes such as **TNNHIS** and **CMCHIS**, and also functions as a teaching center by offering a **6-year DrNB Neurosurgery program** accredited by the National Board of Examinations, strengthening its clinical reputation.



## RISK FACTORS

### 1. Strategic and Implementation Risks

- The company derives most of its revenue from a single hospital in Madurai, Tamil Nadu, exposing it to regional risks such as economic slowdown, political disruptions, or natural calamities, while also remaining dependent on a limited set of specialties—primarily Neurosciences, Interventional Neuroradiology, and Trauma—making earnings sensitive to changes in patient volumes or increased competition.
- Additionally, a portion of the Issue proceeds will be used to establish a proposed Radiation Oncology Unit with a total project cost of ₹43.24 crore, of which ₹7.72 crore has been funded through internal accruals for land and ₹34.98 crore will be financed from the Issue proceeds; any execution delays or cost overruns could adversely impact the company's growth plans.

### 2. Regulatory and Compliance Risks

- The company has identified historical non-compliances, including Section 42 violations under the Companies Act, 2013 for private placements where funds were utilized before filing Form PAS-3, and a re-audit of FY 2023–24 due to the prior auditor lacking a valid peer review certificate and UDIN being generated under the "Certificate" category due to ICAI portal limitations.
- The company has also faced secretarial lapses involving delays in filing statutory e-forms with the MCA, including MGT-14, ADT-1, and INC-27. Compounding applications have been filed for these delays to regularize the non-compliances and ensure adherence to applicable regulatory requirements going forward.

### 3. Operational and Clinical Risks

- The hospital has a sanctioned capacity of 150 beds, of which 133 are currently operational, with an occupancy rate of 38.14% as of September 30, 2025, indicating underutilization of existing infrastructure. Additionally, around 66% of total revenue for the period ended September 30, 2025 was generated from in-patient services, making earnings sensitive to any decline in admissions or length of stay.
- The hospital is highly dependent on its medical workforce, with 64 professional consultants (including 24 full-time) and supporting staff as of November 30, 2025. Any challenges in attracting or retaining specialized doctors and nursing personnel in a competitive environment could adversely affect service quality and patient volumes.

### 4. Financial and Legal Risks

- The company is involved in 10 material civil litigations totaling ₹16.10 lakhs, mainly related to dishonoured patient cheques. An Income Tax survey under Section 133A was conducted in February 2020; while closed, authorities may retain seized documents until October 31, 2026, posing a risk of reopening.
- As of September 30, 2025, the company had ₹2,964.09 lakhs of secured borrowings with most assets charged to lenders, increasing default-related risks. Additionally, the Managing Director received ₹495 lakhs in remuneration in FY 2024–25, about 6.38% of revenue, which could affect margins.



## PEER COMPARISON

Name of the company	Revenue from Operations (in ₹ Cr)	Face Value (Rs per share)	EPS (in Rs)	NAV (Per share Rs)	RoE (%)	P/E*	P/B*
Hannah Joseph Hospitals Ltd.	77.53	10	4.32	29.3	14.74%	16.20	2.39
Asarfi Hospitals Ltd.	120.50	10	5.58	41.4	13.48%	28.40	3.83
Maitreya Medicare Ltd	44.41	10	2.80	39.5	7.10%	75.36	5.34



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](mailto:researchdesk@canmoney.in)



#### Analyst Certification

We/I, Vedanta Bhadani, PGDM( Securities Market) NISM, Research Analysts, 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 manage 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.