

Dr. Namjoshi Hospital Private Limited

September 22, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	239.09 (Enhanced from 229.81)	CARE BB+; Stable	Rating removed from ISSUER NOT COOPERATING category and Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has reaffirmed the ratings outstanding on the bank facilities of Dr. Namjoshi Hospital Private Limited (DNHPL) and removed the ratings from the 'Issuer Not Cooperating' category, as the entity has started cooperating with CareEdge Ratings to carry out the review of the ratings. Reaffirmation of ratings reflects the steady operating and financial performances of DNHPL in FY25 (Prov.) and CareEdge Ratings expectations of sustained performance driven by rising occupancy levels at its hospitals and experienced promoters. The ratings, nevertheless, remain constrained by the company's leverages capital structure and moderate debt coverage metrics as indicated by overall gearing of 3.39x as on Mar 31, 2025 and PBILDT interest cover and total debt/GCA of 2.31x and 7.89x, respectively, in FY25 (Prov.). The ratings also consider the company's moderate scale of operations, geographical concentration of revenue in Mumbai, regulatory risk and intense competition from other hospitals. Ratings, however, derive strength from the extensive experience of the promoters in the healthcare sector and the long track record of operations.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustained growth in revenue from operations while maintaining healthy PBILDT margin.
- Reduction in overall gearing below 2x and Total Debt/GCA below 6x.
- Improvement in PBILDT Interest coverage above 2.5x on a sustained basis.

Negative factors

- Substantial decline in revenue or PBILDT margin below 12% putting pressure on liquidity position.
- Any sizeable debt-funded capex translating into weakening of capital structure with TOL/TNW above 6x on a sustained basis.
- Deterioration in PBILDT Interest coverage below 1.5x.

Analytical approach: Standalone

Outlook: Stable

Stable outlook reflects CareEdge Ratings expectations that DNHPL will maintain its financial risk profile while benefitting from the experience of its promoters with adequate occupancy levels at its hospitals.

Detailed description of key rating drivers:

Key weaknesses

Leverage capital structure and moderate debt coverage indicators

The company's capital structure remains leveraged, notwithstanding the improvement in FY25, marked by overall gearing and TOL/TNW at 3.39x and 4.22x, respectively, as on March 31, 2025 (PY: 3.54x and 4.73x, respectively). DNHPL's net worth base remains moderate at ~Rs. 72 crore against total outstanding debt of ~Rs. 244 crore as on March 31, 2025, including term loans of ~Rs. 221 crore. Its debt coverage metrics also remain moderate marked by Total Debt to GCA and PBILDT interest cover of 7.89x and 2.31x, respectively, as on March 31, 2025. Going forward, with no major debt-funded capex planned by the company, CareEdge Ratings expects improvement in DNHPL's financial risk profile, which remains a key rating sensitivity.

Geographic concentration of revenue

While the company operates four hospitals, its operations are localized in the Mumbai Metropolitan Region (MMR) with presence across Juhu, Andheri (East), Kurla and Malad. Any disruption in operations in Mumbai led by localised events including climatic conditions and changing demand dynamics, among others, could impact DNHPL's business risk profile. Nevertheless, comfort is drawn from MMR's sizeable population and adequate demand prospects.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Intense competition from other established players and capital-intensive nature of industry

The healthcare industry is highly fragmented and capital-intensive with a relatively long gestation period as new hospitals take around 2-3 years' time to breakeven at operational level. Moreover, the maintenance capex required for the hospital industry also remains high owing to regular replacement of equipment, non-reusable pharmaceutical and surgical products and technological upgradation. The industry also faces challenges with respect to hiring on-role and/or off-role doctors, nurses and other staff. Hence dependence on human resources is high and is employed and deployed as per requirement. Thus, differentiating factors like range of services offered, quality of service, pedigree of doctors, success rate in treatment of critical / complex diseases, etc. will be crucial to attract patients and increase occupancy. Going forward, DNHPL's prospects will depend upon its ability to improve its profitability, continued scale-up of operations, and to manage the competitive pressures in the sector by diversifying into other geographies.

Regulatory/event risk associated with hospitals

Hospitals operate in a regulated industry and are governed by various laws such as Indian Medical Council Act 1956, The Clinical Establishments (registration and regulation) Act 2010, Indian Medical Council Regulations 2002 etc. Given the importance of healthcare facilities, Government of India has been taking various steps towards increasing the affordability and coverage of healthcare services in the country by putting price restriction on pharmaceutical entities, medical equipment manufacturers and hospitals services. Healthcare is a highly sensitive sector where any mistake on a critical case or negligence on part of any doctor and/or staff of the unit can lead to distrust among the masses. Any tightening of regulations or non-compliance with key regulations could impact the reputation and business prospects of the company.

Key strengths**Growing scale of operations supported by increase occupancy but moderate profitability**

The group has demonstrated consistent growth in income from operations, increasing from ₹113.85 crore in FY21 to ₹359.41 crore in FY25 led by steady occupancy levels in its established hospitals at Juhu and Andheri coupled with rising occupancy levels in the new hospitals in Kurla and Malad as indicated by improvement in blended occupancy levels to 62% in FY25 from 33% in FY23. Its profitability has, however, moderated with profit before interest, lease rentals, depreciation, and taxation (PBILDT) margins declining to 15.54% in FY25 from 25.22% in FY21 due to higher initial operational costs in new hospitals and rise in employee expenses due to hiring of more specialised doctors. CareEdge Ratings expects DNHPL's revenue to grow by 9-10% p.a. over the next 1-2 years while sustaining PBILDT margin above 15%.

Experienced management and long track record of operations

DNHPL was founded by Dr. Deepak Namjoshi (Director), who is a cardiologist and chest physician. Dr. Namjoshi has extensive experience of over 3 decades and is also actively involved in the day-to-day activities of the hospitals. The company also has visiting and inhouse doctors with an extensive experience across various specialities. The experience of promoters is expected to aid in profitable scale-up of operations.

Established presence in central and western Mumbai

DNHPL manages a chain of four hospitals under the name of 'CritiCare Asia Multispeciality Hospital & Research Centre' located across Mumbai region (Juhu, Andheri, Kurla and Malad). The hospitals in Mumbai are strategically located across Mumbai Central – Kurla and Mumbai Western – Andheri, Juhu, Malad and have been operating since 2003 (Andheri), Juhu (2014) and Kurla and Malad (2021 and 2023) respectively. All the hospitals have multi-speciality facility offering healthcare facilities under various therapeutic segments. The hospitals are favourably located.

Liquidity: Adequate

Liquidity is adequate with projected gross cash accruals of Rs. 35-40 crore p.a. over the next 1-2 years against debt repayment obligations of Rs. 18-20 crore p.a. The utilisation of working capital limits is between 55% to 65% in the last 12 months providing liquidity backup. The current ratio stood at 1.46x along with quick ratio at 1.44x as on March 31, 2025 vis-à-vis current and quick ratio of 1.32x and 1.31x respectively as on March 31, 2024. Net CFO stood positive at Rs. 35.91 crore as on March 31, 2025 vis-à-vis Rs. 23.19 crore as on March 31, 2024.

Assumptions/Covenants: Not Applicable

Environment, social, and governance (ESG) risks: Not Applicable

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Hospital](#)

[Financial Ratios – Non financial Sector](#)

About the company and industry

Industry classification

Macro-economic Indicator	Sector	Industry	Basic Industry
Healthcare	Healthcare	Healthcare Services	Hospital

Established in 1999 by Mr. Deepak Namjoshi and Dr. Masumma Namjoshi, Dr. Namjoshi Hospital Private Limited (DNHPL) operates multispecialty hospitals in Mumbai under the name of Criticare Multispeciality Hospital. DNHPL has four hospitals located in Juhu (100 beds), Andheri East (100 beds), Kurla (130 beds) and Malad (110 beds) as on March 31, 2025. The hospitals provide medical treatments for various specialities ranging from Transplant, Cardiology, Orthopaedics, Neuro, Oncology, Urology, General Surgery, Plastic Surgery, Nephrology, Gynaecology and Paediatric, Ophthalmology, Dental, Intensive Care and emergency department, trauma care, etc.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (Prov.)	5M FY26 (UA)
Total operating income	299.36	359.41	197.74
PBILDT	53.61	55.87	NA
PAT	16.60	15.59	NA
Overall gearing (times)	3.54	3.39	NA
Interest coverage (times)	2.11	2.31	NA

A: Audited Prov.: Provisional UA: Unaudited NA: Not Available; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Bank Overdraft	-	-	-	-	18.30	CARE BB+; Stable
Fund-based - LT-Term Loan	-	-	-	01-04-2054	220.79	CARE BB+; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	220.79	CARE BB+; Stable	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (04-Mar-25) 2)CARE BB+; Stable (30-May-24)	-	-
2	Fund-based - LT-Bank Overdraft	LT	18.30	CARE BB+; Stable	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (04-Mar-25) 2)CARE BB+; Stable (30-May-24)	-	-

*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Bank Overdraft	Simple
2	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Annexure-6: List of entities consolidated: Not Applicable

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact Us

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