Hometrail Buildtech Private Limited

October 10, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	237.06	CARE AA+; Stable	Reaffirmed
Short Term Bank Facilities	45.00	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation in ratings assigned to bank facilities of Hometrail Buildtech Private Limited (HBPL) at CARE AA+ Stable/CARE A1+ considers sustenance of the strong credit profile of parent entity, MHIL, which holds 100% stake in HBPL, and its strong operational and financial linkages due to similar nature of business and shared brand name. Ratings also factor in HBPL's healthy operational and financial performance, backed by ~13% growth in average revenue per occupied bed (ARPOB) to ₹69,600 and steady occupancy level of 68.85% in FY25 (FY refers to April 01 to March 31) and its strong capital structure. The rating continues to draw comfort from HBPL's strategic importance to MHIL through demonstrated support in the past, which is expected to continue going forward.

Rating factors in MHIL's healthy financial risk profile despite slight moderation in debt service coverage indicators in FY25 due to increased debt levels from substantial acquisitions and capital expenditure. Net leverage of MHIL is expected to remain below 1.5x (1.43x as on March 31, 2025) at consolidated level, despite MHIL's ongoing plans for organic and inorganic growth over the medium term. New additions are expected to enhance cash accruals in the medium term, further strengthening MHIL's financial profile. Financial risk profile at the Max network level is supported by healthy cash generation, driven by growth in each entity including HBPL. Growth in revenue of HBPL and the Max network is driven by higher inpatient volumes and shift in specialty mix towards higher-value specialties, leading to better ARPOB while maintaining industry-leading occupancy levels.

Ratings continue to derive strength from MHIL's established position in the healthcare sector across key markets including Delhi-NCR, Mumbai and Lucknow, diversification across specialties, experienced team of doctors, and significant brand equity of Max Healthcare.

However, rating strengths remain constrained by exposure to the regulated healthcare industry and intense competition in its operating region.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Increased diversification across centres, geographies, or business segments leading to overall growth in topline without any
- Impact on its profitability margins.
- Improvement in credit profile of parent MHIL.

Negative factors

- Deterioration in credit profile of MHIL.
- Decline in profitability below 18% on a sustained basis.

Analytical approach: Standalone.

The ratings however factors in the strong management, operational and financial linkages with parent - MHIL.

Outlook: Stable

CareEdge Ratings believe that HBPL's financial risk profile will continue to benefit over near to medium term from its established presence in the core region it operates and healthy operating efficiencies. The comfortable debt metrics of the entity are likely to sustain over the medium term and will continue to get operational and financial support from MHIL as and when required.

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

Detailed description of key rating drivers:

Key strengths

Strategic importance and strong operational linkages of HBPL with MHIL

HBPL comprises ~8% of network bed capacity and contributed 5.83% and 6.68% to MHIL's network-level total operating income (TOI) and profit before interest, lease rentals, depreciation, and taxation (PBILDT), respectively in FY25 (FY refers to April 01 to March 31). As a subsidiary of MHIL, HBPL has an established market presence and holds strategic importance for MHIL to maintain its presence in the state of Punjab. HBPL, a wholly owned subsidiary of MHIL, is currently running and operating two hospitals (viz. Max Super Speciality Hospital, Bhatinda and Max Super Speciality Hospital, Mohali) that provides high-end medical care to residents of tri-city of Chandigarh, Mohali, Panchkula and in the industrial town of Bathinda, Punjab along with other similar programmes for providing treatment and medical services. It offers preventive, diagnostic and treatment services with follow-up care across medical specialities.

Operationally, HBPL is well integrated with MHIL, with raw material procurement, and finance functions among others being centrally managed. CareEdge Ratings believes HBPL would remain strategically and operationally integral to MHIL's growth plans.

Sound operational efficiencies boosting profitability margins of parent entity, MHIL

MHIL demonstrated healthy operational efficiencies across its hospitals, Max Lab, and Max Home segments, supported by a growing number of patients and improved realisations. Its presence in premium markets, mainly, Delhi-NCR, Mumbai and now Lucknow and Nagpur, and its superior case mix leads to a higher ARPOB compared to its industry pee₹ Occupancy rates are industry leading and stood steady ~74% in FY25 compared to 75% in FY24, while ARPOB reported a significant uptick of over 7% y-o-y in FY25 to ₹81,400 (PY: ₹75,800), which was mainly driven by price revisions, increased traction from international medical tourism, improved share of oncology, high end and increased robotic surgeries and increased OPD footfalls among othe₹ Overall, ARPOB considering the new facilities also stood comfortable at ₹73,900. At the network level, Operating EBITDA per occupied bed stands at ₹70 lakhs in FY25, compared to ₹74 lakhs in FY24. The marginal decline is primarily due to the addition of newer hospitals, particularly in tier 2 and tier 3 cities. However, the overall EBITDA per bed remains high and continues to be industry leading, reflecting strong operating efficiency across the network. At a consolidated level, MHIL has been demonstrating healthy revenue growth over the last five years, which continued through FY25 with a strong revenue growth of 29.3% y-o-y to ₹7,028 crore (compared to ₹5,437 crore in FY24) at PBILDT margin of 26.3% as against 27.8% in previous year. Max Healthcare network (MHC Network, MHIL including all its subsidiaries, MHFs and PHFs) recorded total operating income (TOI) and earnings before interest, taxation, depreciation, and amortisation (EBIDTA) of ₹8,667 crore and ₹2,239 crore in FY25 against ₹6,849 crore and ₹1,840 crore in FY24, respectively.

Due to increase in inpatient revenue, HBPL also reported higher ARPOB of ₹69,600 in FY25 (PY: ₹61,500) on gross revenue basis. Occupancy for FY25 stood at 68.85%. HBPL's TOI grew by 5.43% to ₹505 crore in FY25, largely due to improvement in ARPOB and steady occupancy levels. Profitability margins moderated slightly from 31.24% in FY24 to 29.77% in FY25.

MHIL and its network of hospitals are further expected to generate higher ARPOBs and profitability margins considering the substantial market share MHIL has in north India in complex treatments like bone marrow transplant (BTM), and oncology among others, ramp up from three new hospitals (Lucknow, Nagpur and Dwarka) and with the management's focus on optimisation of higher ARPOB generating payor mix, surgical mix and cluster approach to maintaining its brand in metro cities.

Going forward, amidst the significant bed's addition plan, sustenance of MHIL's overall performance and growth momentum with the addition of new beds going forward as well, is also a key monitorable.

Strong financial risk profile of MHIL with healthy capital structure and debt coverage indicators expected to sustain after considering significant capex as well

MHIL has a strong capital structure with the net worth base of ₹5,935 crore against total debt (including leases) of ₹3,312 crore as on March 31, 2025 (PY: ₹1599 crore). Overall Gearing remains healthy at 0.56x as on March 31, 2025 (0.29x as on March 31, 2025) at consolidated level. Debt coverage indicators also remained healthy with the net adjusted debt to PBILDT of 1.43x as on March 31, 2025, slightly moderated from 0.41x as on March 31, 2024, mainly owing to debt addition in Starlit for acquisition of Lucknow hospital and ₹350 crore of lease addition corresponding to commencement of Muthoot Dwarka hospital. MHIL (at consol level) had increased its capacity from 3027 beds as on March 31, 2024, to 4158 beds as on March 31, 2025, and further to 4228 beds as on June 30, 2025. At Network level beds capacity increased from ~4000 beds as on March 31, 2024, to ~5200 beds as on June 30, 2025. Net Debt to PBILDT at network level was ~1.07x as on March 31, 2025, as against 0.27x as on March 31, 2024).

The group has a planned capex (majorly through brownfield expansion) to double its capacity with close to 10,000 beds at MHIL network level, by FY29 (8,200+ incremental beds over the medium term), of which ~3,000 are already in advanced brownfield execution. MHIL has plans to add approximately 1,000 brownfield and 500 greenfield beds in FY26 itself. The capex pipeline is estimated at ₹2,100–2,200 crore annually over the next 2 years, translating to an aggregate outlay of close to ₹6,650 crore up to FY29. This spend is front-loaded into large metro projects such as the new towers at Saket, Patparganj, and Mohali, expansion of Lucknow, Mumbai, new greenfield in Sec 56 Gurgaon and the Operations & Management (O&M) contracts and long-term leases of 'built-to-suit' properties – executed ATLs for hospitals in Mohali (400 beds), Thane (500 beds), Dehradun (130 beds) and O&M for hospital in Pitampura (200 beds).

Ratings, however, draws comfort from adequate capital availability through generation of strong accruals, cash lying at MHIL and at network level plus comfortably leveraged balance sheet to further build the portfolio as the management actively looks out for key inorganic routes including recently acquired JHL and significant debt-funded capex or inorganic growth through more such acquisitions.

Going forward, CareEdge Ratings the credit profile is expected to continue improving over medium term with net debt to PBILDT to sustain below 1.5x at consolidated level. However, any significant debt-funded capex resulting in meaningful moderation in debt coverage indicators of MHIL will remain a key monitorable going forward.

HBPL has a comfortable capital structure, denoted by an overall gearing of 0.38x owing to high net worth base of ₹362 crore, against total debt of ₹138 crore as on March 31, 2025. As the company plans to add 160 new beds in FY26, it will incur capex of around ₹252, as a result of which, the capital structure is expected to moderate slightly in the near to medium term owing to debt funded capex. Nevertheless, the financial risk profile of the company on standalone level is expected to remain comfortable.

Established market position driven by strong brand equity in premium market including Delhi-NCR and Mumbai
MHIL has a strong brand equity in north India as it operates total 22 hospitals and medical centres (PY: 20) as on March 31, 2025. Of this, 15 facilities (hospitals and medical centres) were in Delhi and NCR and the others in Mohali, Punjab (2), Bathinda, Punjab (1), Dehradun, Uttarakhand (1), Lucknow, UP (1), Nagpur (1) and Mumbai (1). Delhi/NCR contributes more than 55% revenue of MHIL and also due to being largely operational in metro cities, it is able to earn industry leading ARPOBs. MHIL is building up more bed capacity and expanding geographical footprint through recently acquired three entities with significant growth potential in revenue and margins with increasing surgical business. All the hospitals are National Accreditation Board for Hospitals and Healthcare Providers (NABH) and ISO-accredited and have also received the Joint Commission International (JCI) accreditation for three of its hospitals, which helps MHIL to expand its international business further.

HBPL's association with Max as a brand will help it command higher ARPOB and increased footfalls, which shall lead to better occupancy levels driving revenue and margin growth forward.

Diversification across specialities and improving channel mix
MHIL derives its revenues from several specialities, including cardiology, oncology, gynaecology, neurology, paediatric and orthopaedic among others, thus not depending upon single speciality. Almost all majors have demonstrated healthy growth in the last year. In FY25, MHIL performed 14800 (PY: 13,150) oncology surgeries, ~48,000 (46,500) cardiac surgeries and 12,670 (10,450) neuro surgeries among other complex procedures which are expected to surpass in current fiscal 2026. Newer hospitals (except for Jaypee does have radiation-oncology), Nagpur, Dwarka and Lucknow, do not offer radiation oncology currently, because the bunkers are not there. But in the third quarter of the current fiscal, bunkers are expected to come in Dwarka and Lucknow, hospitals. Thus, a higher share of oncology in these hospitals is expected to increase the overall share.

MHIL also has a well-diversified channel mix, which includes cash, third-party administrators (TPAs) and corporates, institutions, referrals, and international business. MHIL derived 19.4% (PY: 18.1%) of its total FY25 revenue from the institutional/public sector undertaking (PSU) segment, which is a low-margin business, while the international segment was 8.8% (PY: 9.1%). The change in the mix is due to addition of new hospitals and corresponding high share of Institutional segment to maintain sufficient occupancy. MHIL plans to optimise its payor mix further by reducing the contribution from the Institutional segment and focusing more on cash/TPA and international business going forward, as the new hospitals matures. The group (including PHFs) has ~2,500 doctors, 9,000 nurses, and 1,800 consultant physicians on board, to service its patients, as on June 30, 2025.

The group also has capital light adjacencies through Max Home and Max Labs which provides homecare services and noncaptive pathology and have NABL certification. Max Lab reported revenue of ₹ 175 crore (PY: ₹ 144 crore) and PBILDT of ₹ 34.6 crore. Max Home contributed revenue of ₹ 212 crore in FY25 (₹172 crore in FY24).

Key weaknesses

Exposure to regulatory risk

HBPL and MHIL operate in a regulated industry that witnessed continuous regulatory intervention in the last couple of yea₹ Regulations such as the capping of stent prices and knee implants and stricter compliance norms have adversely impacted the margin in the past. Such future regulations may have an adverse impact on the group's profitability, and thus, will remain an important monitorable. MHIL believes in the cluster approach and has a significant number of beds in metros, as these metros witness a significant footfall of medical tourist, inherent advantages available in metros such as high per capita income, high insurance penetration and propensity to pay for high-end quaternary care facilities, availability of senior and statured clinical talent, leading to metros becoming regional hubs and higher health awareness. MHIL network has a higher proportion of beds in metro cities compared to other top players, which has helped the network clock higher ARPOBs than its pee₹ The group's concentration in metros including Delhi-NCR and Mumbai is also a significant credit risk, which makes it vulnerable to adverse political, regulatory, or environmental event, which impacts the socio-economic situation of a particular geography. However, recent efforts have been taken by MHIL to expand the geographically presence in other states as well and in this direction, MHIL has acquired Starlit and Alexis, which are in Lucknow and Nagpur with 550 and 200 beds, respectively.

Intense competition from other established players

With rising preference towards brands, higher quality and organised diagnostics and self-awareness among masses with increasing insurance penetration, there is a high competition in the healthcare sector from other established brands such as Fortis, Apollo, and Medanta among others. However, comfort is drawn from the sizeable presence of Max as a brand and footprint with established position of its hospitals. Going forward, MHIL's prospects will depend on its ability to improve its profitability, continued scale-up of operations, ramp- up of new and acquired units and to manage the competitive pressures in the sector by further diversifying in other geographies or expand through asset-light adjacencies such as 'Max Labs', and Muthoot Dwarka among others.

Liquidity: Strong

HBPL's liquidity position is marked by free cash and bank balance of ₹2.88 crore as on June 30, 2025 with expected cash accruals in the range of ₹140 - ₹150 crore in FY26 sufficient to cater its capex requirements and to support scheduled minimal debt repayments. Further, the liquidity is supported by company's very minimal utilization of sanctioned working capital facility of ₹15 crore (utilized ~₹2.22 crore as on June 30, 2025) leaving buffer of more than ₹12 crore for any exigency. Further comfort is derived from the strong liquidity profile of the parent, MHIL, supported by healthy cash accruals against moderate debt repayment obligations.

MHIL's liquidity position on a consolidated basis stands strong given its healthy GCA of ₹1,430 crore in FY25, ₹412 crore in Q1FY26 and the expected GCA of over ₹1700-2500 crore over the medium term against moderate debt repayment obligations (including lease liabilities) of ~₹260 crore in FY25 and ~₹450-550 crore in FY26-FY27. Cash accruals generated by PHFs is close to ₹267 crore in FY25 against, which debt repayments are minimal ~₹ 3-5 crore yearly. Liquidity is further aided by free cash and cash equivalents of ₹883 crore as on June 30, 2025, in MHC network (₹ 521 core at consolidated level) with moderate WC utilisation, thus leaving sufficient buffer for exigencies. Cash accruals of MHC network in coming years will be partially applied towards the capex commitments over the next three to four years through FY29 involving total outlay of close to ₹6,650 crore (including PHFs).

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

Manufacturing Companies
Financial Ratios – Non financial Sector
Short Term Instruments
Notching by Factoring Linkages in Ratings

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Healthcare	Healthcare	Healthcare Services	Hospital

HBPL was incorporated on April 21, 2008 and is a 100% subsidiary of MHIL. HBPL is running a hospital with the installed capacity of 200 beds in the town of Bathinda, Punjab. The hospital has been set up as Public Private Partnership with Government of Punjab and was commissioned in September 2011. HEPL another group company also set up as Public Private Partnership with Government of Punjab was running a hospital in Mohali with the installed capacity of 224 beds that provided medical care to the residents of tri-city of Chandigarh, Mohali and Panchkula. HEPL was merged with HBPL effective from October 2018 as per NCLT order.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	478.81	505.20
PBILDT	149.59	150.39
PAT	111.03	111.33
Overall gearing (times)	0.23	0.38
Interest coverage (times)	20.03	41.20

A: Audited UA: Unaudited; Note: these are latest available financial results

About the Parent, MHIL

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Healthcare	Healthcare	Healthcare Services	Hospital

MHIL incorporated in 2001 and is primarily engaged in providing healthcare services. Max hospital network consists of 22 multispecialty hospitals / medical centres, super-specialty hospitals and primary care clinics as on Narch 31, 2025, including three partner healthcare facilities (PHFs), Max Saket East (Devki Devi Society), Max Smart Saket (Gujarmal Modi Society) and Max Patparganj (Balaji Society), two hospitals being operated on an O&M basis, viz, BL Kapur (Lahore Hospital Society) and Nanavati and Dwarka Hospital which is an asset light venture. Of this, 15 facilities (hospitals and medical centres) were in Delhi and NCR and the others in Mohali, Punjab (2), Bathinda, Punjab (1), Dehradun, Uttarakhand (1), Lucknow, UP (1), Nagpur (1) and Mumbai (1). MHIL network has ~5,200 operational beds capacity as on June 30, 2025, predominantly operating in Delhi-NCR and Mumbai.

Brief Financials -MHIL Consol (₹ crore)	March 31, 2024(A)	March 31, 2025 (A)	Q1 FY26(UA)
Total Operating Income	5,437.14	7,028	2,028
PBILDT	1534.95	1848.44	523
PAT	1057.64	1075.88	308
Overall Gearing Ratio (times)	0.29	0.56	NM
Interest Coverage (times)	21.44	11.20	9.5

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available', NM; Not meaningful

Brief Financials -MHIL Network (₹ crore)	March 31, 2024(A)	March 31, 2025 (A)	Q1 FY26 (UA)
Total Operating Income	6,849	8,667	1,937
PBILDT	1840	2239	479

PAT	1,278	1,336	295

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

**Including three PHFs (Devki Devi Foundation, Gujarmal Modi Hospital & Research Centre and Balaji Medical & Diagnostics Research Centre) UA: Unaudited*

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-Cash Credit		-	-	-	15.00	CARE AA+; Stable
Fund-based - LT-Term Loan		-	-	March 31 2028	222.06	CARE AA+; Stable
Fund-based - ST-Bank Overdraft		-	-	-	15.00	CARE A1+
Non-fund-based - ST-BG/LC		-	-	-	10.00	CARE A1+
Non-fund-based - ST-BG/LC		-	-	-	20.00	CARE A1+

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	222.06	CARE AA+; Stable	-	1)CARE AA+; Stable (30-Jan-25) 2)CARE AA+; Stable (08-Oct-24)	1)CARE AA; Positive (09-Oct-23)	1)CARE AA; Stable (05-Sep-22) 2)CARE AA; Stable (23-Aug-22)
2	Fund-based - LT-Cash Credit	LT	15.00	CARE AA+; Stable	-	1)CARE AA+; Stable (30-Jan-25) 2)CARE AA+; Stable (08-Oct-24)	1)CARE AA; Positive (09-Oct-23)	1)CARE AA; Stable (05-Sep-22) 2)CARE AA; Stable (23-Aug-22)
3	Non-fund-based - ST-BG/LC	ST	10.00	CARE A1+	-	1)CARE A1+ (30-Jan-25) 2)CARE A1+ (08-Oct-24)	1)CARE A1+ (09-Oct-23)	1)CARE A1+ (05-Sep-22) 2)CARE A1+ (23-Aug-22)
4	Non-fund-based - ST-BG/LC	ST	20.00	CARE A1+	-	1)CARE A1+ (30-Jan-25) 2)CARE A1+ (08-Oct-24)	1)CARE A1+ (09-Oct-23)	1)CARE A1+ (05-Sep-22)
5	Fund-based - ST-Bank Overdraft	ST	15.00	CARE A1+	-	1)CARE A1+ (30-Jan-25)	-	-

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-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - ST-Bank Overdraft	Simple
4	Non-fund-based - ST-BG/LC	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.

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About us:

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