Sahyadri Hospitals Private Limited

April 30, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Issuer rating	0.00	CARE BB+ (RWD); ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Downgraded from CARE A-; Continues to be on Rating Watch with Developing Implications

Details of instruments/facilities in Annexure-1.
*Issuer did not cooperate; based on best available information.

The list of facilities / instruments falling under the purview of financial sector regulators (FSRs), along with the names of respective FSRs has been disclosed under Annexure-7.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) vide its press release dated October 30, 2025, placed the ratings of Sahyadri Hospitals Private Limited (SHPL) under the 'Issuer non-cooperating' category as SHPL had failed to provide information for monitoring the ratings. SHPL continues to be non-cooperative despite repeated requests for submission of information through e-mail communications dated April 28, 2026, April 24, 2026, April 22, 2026, April 15, 2026 among others and numerous phone calls. Moreover, SHPL has not provided No Default Statement (NDS) since past 8 months. Thus, in pursuant to the extant Securities and Exchange Board of India (SEBI) guidelines, CareEdge Ratings has reviewed the ratings on the basis of the best available information which however, in CareEdge Rating's opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and public at large) are hence requested to exercise caution while using above rating(s).

The revision in the ratings of SHPL is pursuant to SEBI's circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/2 dated January 3, 2020, regarding 'Strengthening of the rating process in respect of Issuer Non-Cooperation (INC) ratings. SEBI has in this circular mentioned that "If an issuer has all the outstanding ratings as non-cooperative for more than 6 months, then the CRA shall downgrade the rating assigned to the instrument of such issuer to non-investment grade with INC status".

Rating continues to be constrained by SHPL's geographic concentration, intense competition in the industry, exposure to project risk arising from sizeable, planned capital expenditure (capex) and regulatory risks.
Further, rating continues to derive strength from SHPL's established presence as a multi-specialty hospital chain, resourceful parent with professional management, and its growing scale of operations despite moderation in profitability. Rating also factors its comfortable capital structure and debt protection metrics, and favourable long-term outlook for the healthcare sector in India.

Rating was placed on rating watch with developing implications following an announcement by Ontario Teachers' Pension Plan (OTPP; SHPL's parent) that it has reached an agreement to sell its majority stake in SHPL to Manipal Hospitals Private Limited, wholly owned subsidiary of Manipal Health Enterprises Limited (MHEL). Though the share transfer has taken place dated October 03, 2025, the rating watch has continued as CareEdge Ratings is yet to fully assess the implications of the transaction on credit profile of SHPL in absence of adequate co-operation from the client.

Analytical approach: Consolidated
CareEdge Ratings has taken a consolidated view of SHPL and its subsidiaries owing to significant business, operational, and financial linkages between these entities. Entities whose financials have been consolidated in SHPL are listed under (list mentioned in Annexure-6).

Outlook: Not applicable

Detailed description of key rating drivers:

At the time of last rating on October 30, 2025, following were the rating strengths and weaknesses (Updated with the latest available data).

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

Key Weaknesses

Geographic concentration and intense competition

While SHPL has gradually expanded into other cities such as Karad and Nashik, revenue profile remains concentrated as majority revenue is derived from its Pune-based hospitals exposing its operations to region-specific risks. Its occupancy levels have remained moderate and range-bound between 56-62% from FY23-25.

Hospitals depend on these scarcely available qualified medical professionals. Intense competition also impacts SHPL's ability to attract and retain qualified medical professionals such as doctors, paramedical staff, and support staff.

Project risk arising out of sizeable, planned capex

The company plans to undertake capex with total expected outlay between ₹500 crore and ₹650 crore towards addition of over 250 beds and technological advancements in the next three years at different locations in Maharashtra. This large capex will primarily be funded by operating cash flow and surplus liquidity. The company also plans to opt for inorganic growth to expand reach in other parts of Maharashtra, which will further add to bed capacity.

Exposure to regulatory risks

SHPL operates in a regulated industry, which witnesses regulatory interventions at regular intervals. Given the significance of healthcare facilities, the Government of India (GoI) has undertaken measures to enhance affordability and accessibility of healthcare services nationwide. This includes imposing price controls on pharmaceutical companies, medical equipment manufacturers, and hospital services. The healthcare sector is notably sensitive, where mistake in a critical case or negligence by medical professionals can severely damage public trust. It is crucial for healthcare providers to diligently and meticulously oversee each case to prevent incidents that could negatively impact their reputation.

Key strengths

Part of Bangalore based Manipal Group

SHPL became a wholly owned subsidiary of MHEL w.e.f. October 03, 2025. Incorporated in 2010, MHEL is part of the Ranjan Pai-led Manipal Education and Medical Group (MEMG), which was originally founded by T.M.A. Pai in 1953. MHEL was established to operate and expand the Manipal Group's healthcare business.

On a consolidated basis, MHEL operates 49 multi-specialty hospitals across India, with 12,631 licensed beds as on November 30, 2025. MHEL has demonstrated strong growth, with revenue increasing at a CAGR of ~46% over FY21 - FY25. In FY25, it reported TOI of ₹8,234 crore and net profit of ₹1,082 crore. Its financial profile remains healthy, supported by a net worth of ~₹5,899 crore, TOL/TNW below 1.5x, and liquidity of more than ₹2,000 crore as of FY25-end.

Established presence as a multi-specialty hospital chain

SHPL started its first flagship hospital, "Sahyadri Hospital-Deccan Gymkhana", in 2004 and since then has established itself as a strong player in Pune and nearby regions. As on September 30, 2025, SHPL operated 10 hospitals in Pune, Nashik, Karad and Ahilyanagar with 1,301 operational beds. SHPL's hospitals and laboratory have received accreditations from organisations such as the National Accreditation Board for Hospitals & Healthcare Providers (NABH) and the National Accreditation Board for Testing and Calibration Laboratories (NABL).

SHPL offers a range of medical and surgical care in almost all major therapeutic segments, including cardiology, transplants, neurology, gastroenterology, orthopaedics, critical care, and mother and child-care among others. SHPL is empanelled with government schemes such as central government health scheme (CGHS) Ayushman Bharat Yojana, and Mahatma Jyotirao Phule Jan Arogya Yojana among others. CareEdge Ratings observes, in the last two years, SHPL has invested in expanding its capacity and upgradation of facilities with latest equipment for future growth.

Growing scale of operations, albeit moderation in profitability

SHPL's TOI grew at a CAGR of 17% over the period of last 5 years ended FY25. Revenue grew by ~26% on a y-o-y basis to ₹1,022 crore in FY25 as against ₹814 crore in FY24, driven by capacity expansion, improved realizations (ARPOB), and higher patient volumes. The ramp-up of recently added facilities, including the Ahilyanagar acquisition and the Shivajinagar unit, further supported growth during FY25.

SHPL's operational metrics also strengthened, with bed capacity increasing to 1,084 beds in FY25 (FY24: 970 beds), alongside an improvement in occupancy to ~62% (FY24: ~58%). ARPOB rose to ₹41,752 in FY25 from ₹39,284 in FY24. However, profitability has moderated in recent periods. PBILDT margins, which were above 20% during FY21–FY23, declined to 17.74% in FY24 and remained at 18.83% in FY25. This was primarily due to higher doctor consultation costs, a shift in revenue mix, and the initial ramp-up costs associated with newly commissioned hospitals.

In H1FY26, SHPL reported revenue of ₹601 crore with a PBILDT margin of 16.10%. The dip in operating margin was driven by a decline in average ARPOB to ₹39,220 following the addition of new facilities; coupled with elevated operating costs.

Comfortable capital structure and debt protection metrics

During last three years ended FY25, SHPL has raised equity of ~₹563 crore from its erstwhile promoter group, largely utilised towards capex requirements of the company. Raising of equity alongwith healthy accretion of profits to reserves, led to healthy augmentation of company's networth at ~1,158 crore as on March 31, 2025. As a result, the company capital structure marked by overall gearing and TOL/TNW remained comfortable at 0.23x (FY24: 0.33x) and 0.50x (FY24: 0.56x) respectively as of FY25-end, with majority of company's debt being in the form of lease liabilities for its hospitals.

SHPL's debt coverage indicators marked by PBILDT interest coverage and total debt/GCA also remained healthy at 4.93x (FY24: 5.32x) and 1.77x (FY24: 1.87x), respectively for FY25.

Positive long-term outlook for healthcare sector in India, despite increasing competition

Hospital and health services industry is the largest component of the Indian healthcare sector, comprising 70% of the sector. Net sale of the entire industry has grown at a healthy double-digit in the last few years. CareEdge Ratings expects healthcare services in India to grow at a healthy rate considering the likely rise in per capita income, changing demographic profile, increasing health insurance penetration, and a transition in the disease profile of the country arising from growing lifestyle diseases. Additionally, the healthcare industry is extending the services of e-consultations and other homecare services, which will support their revenues. As per CareEdge Ratings' estimates, the hospital and healthcare industry will grow ~10% to 12% in FY26 and FY27, respectively.

Liquidity: Strong

SHPL's liquidity remains strong, supported by its minimal term debt repayment obligations, healthy cash flow from operations and financial flexibility from the parent group. SHPL's free cash and liquid investment stood at around ₹310 crore as of September 30, 2025. Its cashflow from operations stood healthy at ₹136 crore as of FY25-end, while current ratio remained strong at 3.21x (FY24: 2.61x) as of FY25 end.

Applicable criteria

Consolidation
Definition of Default
Issuer Rating
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Hospital
Financial Ratios – Non financial Sector
Information Adequacy Risk and Issuer Non-Cooperation

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Healthcare	Healthcare	Healthcare Services	Hospital

SHPL (formerly known as Sahyadri Hospitals Limited) was incorporated in 1996 by Dr Charudutt Apte, a renowned Neurosurgeon. In FY20, Everstone Group acquired a controlling stake in the company, which was subsequently taken over by Canada-based pension fund, OTPP. Further in October 2025 Bangalore based Manipal Group acquired 100% stake in SHPL for a total consideration of ₹5,892 crore.

As on September 30, 2025, SHPL and its subsidiaries operated ten hospitals with 1,301 operational beds (1,606 licensed beds) in Pune, Nashik, Karad and Ahilyanagar regions of Maharashtra.

Brief Consolidated Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	September 30, 2025 (UA)
Total operating income	814	1,022	601
PBILDT*	144	192	97
PAT	87	73	40
Overall gearing (times)	0.33	0.23	0.20
Interest coverage (times)	5.32	4.93	8.02

A: Audited; UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: None

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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Issuer Rating-Issuer Ratings	-	-	-	-	0.00	CARE BB+ (RWD); ISSUER NOT COOPERATING*

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

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 2026-2027	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
1	Issuer Rating-Issuer Ratings	LT	0.00	CARE BB+ (RWD); ISSUER NOT COOPERATING*	-	1)CARE A- (RWD); ISSUER NOT COOPERATING* (30-Oct-25) 2)CARE A (RWD) (18-Jul-25)	1)CARE A; Stable (31-Jul-24)	-

*Issuer did not cooperate; based on best available information.
LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of instruments rated: Not Applicable

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Sahyadri Karad Hospitals Private Limited	Full	Subsidiary
2	Surya Hospitals Private Limited	Full	Subsidiary
3	Saideep Healthcare & Research Private Limited (w.e.f. November, 2025)	Full	Subsidiary
4	Kokan Mitra Mandal Medical Trust (KMMMT)*	Full	Subsidiary

*The entity receives variable returns from SHPL and SHPL has the ability to affect those returns resulting in existence of control, and hence, is classified as a subsidiary.

Annexure-7: List of Facilities/Instruments and FSRs

As required by SEBI Circular dated February 10, 2026, to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of FSRs, along with the names of respective FSRs, is being disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments[2]
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities)	MCA
3.	Listed PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	SEBI
4.	Listed PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	SEBI
5.	Unlisted PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	RBI
6.	Listed Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
7.	Unlisted Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
8.	Loan Facilities (Fund / Non-Fund Based) From Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-
16.	Credit Ratings for Capital Protection Oriented Schemes (By Mutal Funds and AIFs)	SEBI
17.	Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18.	Listed Security Receipts	SEBI
19.	Unlisted Security Receipts	RBI
20.	Independent Credit Evaluation (ICE)	RBI
21.	Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs)	RBI
22.	Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities))	SEBI
23.	Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities))	MCA
24.	Unlisted PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), among others. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the press releases subsequent to issuance(s), CareEdge Ratings shall separately capture the rated quantum details and names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned in regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026 and the investor side regulators have accordingly been included.

Note: For facilities / instruments falling under the purview of FSRs other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

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.

[2] SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

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