

September 24, 2025

## MATCARE WELLNESS PRIVATE LIMITED: Ratings assigned

### Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long-term fund-based – Term loan	100.00	[ICRA]BBB (Stable); assigned
<b>Total</b>	<b>100.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

ICRA's assigned rating for Matcare Wellness Private Limited (Matcare/ the company) considers the strong operational and financial support it enjoys as a wholly-owned subsidiary of Indira IVF Hospital Limited (Indira IVF; outstanding ratings of [ICRA] A (Stable)) and the parent's extensive experience in the healthcare industry. The company is currently in the nascent stages of operations and has set up three hospitals at Varanasi (Uttar Pradesh), Pune (Maharashtra) and Prayagraj (Uttar Pradesh). These hospitals are focused on the mother and childcare segment and provide gynaecology and neonatal intensive care unit (NICU) services. Matcare expects successful in-vitro fertilisation (IVF) patients from its parent, India IVF, to naturally transition to Matcare for delivery and neonatal care. Currently, around 95% of its patient footfalls come from Indira IVF. The Varanasi hospital commenced operations from February 2025, Pune from May 2025 and Prayagraj from July 2025. Each of these hospitals has around 40 beds (including ICU and NICU). Matcare had around 128 operational beds as of August 2025. While deliveries per hospital are currently low due to the nascent stages of their operations, the same are expected to improve with ramp up of operations, going forward.

The company witnessed a revenue of Rs. 2.1 crore in Q1 FY2026 over Rs. 0.3 crore in FY2025 (operations started from February 2025). Being in the investment phase, Matcare recorded negative OPBITDA of -Rs. 6.85 crore in FY2025 and -Rs. 7.04 crore in Q1 FY2026. Going forward, the company is setting up a new hospital with 40 beds in Patna, which is likely to be operational by November 2025. The revenues are estimated scale up in line with the ramp up of operations in its existing hospitals as well as the new hospital in Patna. The operating margin is likely to be remain negative over the near term because of the current investment phase.

The working capital intensity for Matcare is likely to be moderate in line with the industry. The company is currently free of any external debt. It had a total debt of Rs. 42.1 crore as on March 31, 2025, which comprised entirely of lease liabilities for its hospitals. The capex incurred for setting up each of the hospitals was around Rs. 20 crore. Overall, the company is planning a capex of Rs. 40–60 crore in FY2026 for expanding its existing hospitals and establishing new ones. The same will be funded through a combination of debt, equity infusion and internal accruals.

The ratings also take into account Matcare's exposure to the regulatory risks inherent to the industry. Further, it operates in a highly fragmented industry, which faces intense competition. Matcare is expected to face competition from local and regional players in the maternity and neonatal care segment as well as multi-speciality hospital chains who offer similar services. However, a steady flow of patients from Indira IVF is likely to support the company's revenue growth, providing comfort to a certain extent.

The Stable outlook on the rating reflects ICRA's expectation that Matcare's operating metrics will improve, leading to enhanced profitability and debt metrics. Moreover, Indira IVF is expected to extend timely support, if required.

## Key rating drivers and their description

### Credit strengths

**Strong parentage as wholly-owned subsidiary of Indira IVF** – Matcare enjoys strong operational and financial support as a wholly-owned subsidiary of Indira IVF. The company expects successful IVF patients from Indira IVF to naturally transition to Matcare for delivery and neonatal care. Currently, around 95% of Matcare’s patient footfalls come from Indira IVF, which is estimated to rise, going forward. Indira IVF has an established brand presence in the Indian IVF industry. This is likely to support the company’s business prospects.

**Vast experience of promoters in the healthcare business** – Being a wholly-owned subsidiary of Indira IVF, Matcare benefits from the experience of its parent’s promoters who have been in the healthcare industry for over a decade.

**Healthy long-term demand outlook for healthcare sector** – The Indian hospital industry continues to be an underpenetrated and underinvested market; although it backed by rising incomes and increasing healthcare awareness among consumers. With increasing urbanisation and change in lifestyle, it is witnessing a sharp increase in lifestyle or non-communicable diseases. Given its relatively low cost of medical treatments, India remains one of the most attractive destinations for medical tourism.

### Credit challenges

**Nascent stage of operations** – The company is currently at its nascent stages of operations and coming up with three hospitals at Varanasi, Pune and Prayagraj. These hospitals are focused on mother & childcare segment and provide gynaecology and NICU services. The company witnessed a revenue of Rs. 2.1 crore in Q1 FY2026 over Rs. 0.3 crore in FY2025. Being in the investment phase, Matcare recorded negative OPBITDA of -Rs. 6.85 crore in FY2025 and -Rs. 7.04 crore in Q1 FY2026. Going forward, the revenue growth trajectory and time taken to break even at the operating and net levels will be key monitorables for the company.

**Exposure to regulatory risks inherent in the sector** – Like other players, Matcare is exposed to the regulatory risks inherent to the industry. Being present in maternity and neonatal care segment, Matcare operates at a higher risk profile than Indira IVF due to the higher mortality risk involved in this space. Regulatory risks pertaining to restrictive pricing regulations levied by the Central and/or state government organisations could also constrain the company’s profit margins.

**Exposed to intense competition** – The Indian hospital industry is highly fragmented and intensely competitive. Matcare is expected to face competition from local and regional players in the maternity and neonatal care segment as well as from multi-speciality hospital chains offering similar services. However, a steady flow of patients from Indira IVF is likely to support the company’s revenue growth gives comfort to certain extent.

### Liquidity position: Stretched

Matcare’s liquidity profile is stretched, as reflected by low free cash, bank balance and liquid investments of around Rs. 3.0 crore as on July 31, 2025. The company is currently free of any term and working capital debt. It had a total debt of Rs. 42.1 crore as on March 31, 2025, which comprised entirely of lease liabilities for the new hospital. Currently, it is planning for a capex of Rs. 40–60 crore in FY2026 for expanding its existing hospitals and setting up new ones. The same is expected to be funded through a combination of debt, equity infusion from Indira IVF and internal accruals. Overall, its nascent scale of operations and debt repayment obligations for any debt-funded capex, going forward, are likely to put pressure on the liquidity position. ICRA, however, draws comfort from the need-based funding support expected from the parent, Indira IVF.

### Rating sensitivities

**Positive factors** – Matcare’s rating could be upgraded if there is a substantial revenue growth aided by the ramp up of operations, improving the liquidity position. Further, ICRA could upgrade the rating if there is an improvement in the overall credit profile of the parent, Indira IVF.

**Negative factors** – Weakening of the credit profile of the parent, Indira IVF, or weakening of financial linkages with the parent could lead to a rating downgrade. Also, pressure on Matcare’s rating could arise in case of delayed scale-up in operations, leading to pressure on its liquidity position.

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology Hospitals</a>
Parent/Group support	The ratings assigned to Matcare factor in the likelihood of its parent entity, Indira IVF, extending operational and financial support to the entity.
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the Standalone financials of Matcare.

## About the company

Matcare Wellness Private Limited was incorporated in FY2024. As on date, the company has three hospitals, one each at Varanasi, Pune and Prayagraj, which provide gynaecology and NICU services. The company expects successful IVF patients from Indira IVF to naturally transition to Matcare for delivery and neonatal care. In total, Matcare has around 128 operational beds as on date. Going forward, the company is setting up a new hospital in Patna, which is expected to become operational by November 2025.

### Key financial indicators (audited)

IIHPL Consolidated	FY2024	FY2025
Operating income	1,476.4	1,604.5
PAT	266.2	297.8
OPBDIT/OI	34.5%	33.4%
PAT/OI	18.0%	18.6%
Total outside liabilities/Tangible net worth (times)	(17.5)	2.9
Total debt/OPBDIT (times)	1.2	0.8
Interest coverage (times)	7.8	10.6

MWPL Standalone	FY2024	FY2025
Operating income	-	0.3
PAT	-0.3	-11.8
OPBDIT/OI	-	-2319.7%
PAT/OI	-	-4003.3%
Total outside liabilities/Tangible net worth (times)	0.3	1.3
Total debt/OPBDIT (times)	-20.9	-6.1
Interest coverage (times)	-2.8	-2.4

Source: Company, ICRA Research; All ratios as per ICRA’s calculations; Amount in Rs. Crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

### Rating history for past three years

Current (FY2026)					Chronology of rating history for the past 3 years							
					FY2026		FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	Date	Rating	Date	Rating	Date	Rating	Date	Rating		
Term Loan	Long-Term	100.00	Sep 24, 2025	[ICRA]BBB (Stable)	-	-	-	-	-	-		

### Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund based – Term loan	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

**Annexure I: Instrument details**

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Long-term fund based – Term loan*	NA	NA	NA	100.00	[ICRA]BBB (Stable)

Source: Company; \* Proposed.

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis**

Company name	Ownership	Consolidation approach
Indira IVF Hospital Limited	-	Full consolidation
Matcare Wellness Private Limited	100%	Full consolidation

Note: ICRA has considered the consolidated financials of Indira IVF

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