



## Rating Rationale

Accord Mediplus Pvt Ltd

7 July, 2017

**Brickwork Ratings assigns rating for the Bank Loan Facilities of Rs.101.67 Crs (INR One Hundred One Crores and Sixty Seven Lakhs Only) of Accord Mediplus Pvt Ltd.**

### Particulars

Facilities	Amount	Tenure	Rating
	Sanctioned Limit		
<b>Fund Based</b> Term Loan	101.67	Long Term	<b>BWR BB-</b> Outlook-stable (Pronounced BWR Double B Minus)
Total	Rs. 101.67 Crores (INR One Hundred One Crores and Sixty Seven Lakhs Only)		

\* Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

### Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has essentially relied upon the audited financial result of the company up to FY16, projections up to FY18 and publicly available information and information/clarification provided by the management.

The rating draws strength from experience of the doctor involved in the project as promoters of the hospital and Locational advantage in terms of demand for tertiary healthcare services in Baner area. However the rating is constrained by exposure to risks related to timely implementation and successful scaling up of operations, highly competitive and regulated industry, and highly geared capital structure.

Going forward, the company's ability to complete the project without further delays and cost escalations and meet the revised date of commercial operation and achieve capital infusion as proposed and projected level of operation will be key rating sensitivities.

### Rating Outlook: Stable

BWR believes the **Accord Mediplus Pvt Ltd** business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the company implements the project within envisaged time and cost and successfully commences commercial operations. The rating outlook may be revised to 'Negative' in case there are any time and cost overruns and under achievement of projected sales levels.

7 July 2017



**About the Company**

AMPL, incorporated in August 2013, is an Accord Group company. The Accord group has business interests in field of Information Technology (IT), hospitality and healthcare. Currently AMPL is implementing a project to construct 200 bed multi-specialty hospital at Baner, Pune. The hospital would provide medical services in departments such as Neurology, Cardiology, Urology and Nephrology, Radiology, Dermatology, Oncology, Gynecology and Infertility and Trauma Care.

The cost of the project is ~Rs.168.89 crore to be funded by Bank loan of Rs.101.67 crore and balance by promoter’s equity of Rs.67.22 crore. The construction is ~80% complete and is expected to be operational in June 2018.

**Rating History for the last three years:**

Sl. No.	Instrument/Facility	Current Rating (Year 2017)			Rating History		
		Type (Long Term/Short Term)	Amount (Rs Crs)	Rating	2016	2015	2014
1	Term Loan	Long Term	101.67	BWR BB- (Stable)	NA	NA	NA

**Hyperlink/Reference to applicable Criteria**

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Service Sector](#)
- [Short Term Debt](#)

For any other criteria obtain hyperlinks from website

Analytical Contacts	Media
<u>Dinesh Mahabal</u> General Manager-Rating	<a href="mailto:media@brickworkratings.com">media@brickworkratings.com</a>
<a href="mailto:analyst@brickworkratings.com">analyst@brickworkratings.com</a>	<b>Relationship Contact</b>
	<a href="mailto:bd@brickworkratings.com">bd@brickworkratings.com</a>
<b>Phone: 1-860-425-2742</b>	

**For print and digital media**

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**Note on complexity levels of the rated instrument:**

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto:info@brickworkratings.com).

**About Brickwork Ratings**

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

**DISCLAIMER**

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.