

## Rating Rationale

**Brickwork Ratings assigns ‘BWR B+’ rating for Ayushman Medical Diagnostics Private Limited’s Bank Loan Facilities aggregating to ₹ 72.00 Crores.**

Brickwork Ratings has assigned following **Ratings<sup>1</sup>** for the Bank Loan Facilities of **Ayushman Medical Diagnostics Private Limited** (AMDPL or the ‘Company’).

Facility	Limit ( ₹ Cr)	Tenure	Rating
<b>Fund Based</b>			
Term Loan	72.00	Long Term	<b>BWR B+</b> <i>[Pronounced as BWR B Plus]</i>  (Outlook: Stable)
<b>Total</b>	<b>72.00</b>	<b>INR Seventy Two Crores only.</b>	

*\*Details of Bank wise facilities rated are given in annexure I.*

The rating has, inter alia, factored the experience of the promoters in diverse businesses, successful completion of the hospital project, moderate net worth and operational factors such as multi-speciality nature of the hospital, association of eminent doctors with the hospital and good infrastructure with state-of-the-art facilities. The rating is however constrained by short track record of operations as the Company has commenced operations in June 2014, moderate gearing and increasing competition in the healthcare sector.

BWR has essentially relied upon projected financials for FY15 & FY16, publicly available information and information provided by the management.

### Background:

Ayushman Medical Diagnostics Private Limited (Bansal Hospital) was incorporated in 1990 with Mr. Gopal Batni , Mr. Ashok Kumar Gupta and Mr. Niraj Kumar as its Directors. The Company started operation by setting up a small hospital in Bhopal. Later in 1995 they established a hospital with 100 bed capacity at C-Sector Shahpura, Bhopal which commenced operations in 1997. With plans to expand the hospital, the promoters entered into a management agreement with Wockhardt Hospital in 2006. Subsequently as the tie up failed, the promoter’s sold their 100% stake to the Bansal Group in 2012. The Bansal Group has since completed implementation of the expansion project and Bansal Hospital started commercial operation in June 2014.

<sup>1</sup> Please refer to [www.brickworkratings.com](http://www.brickworkratings.com) for definition of the Ratings

Currently, Bansal Hospital is a 300-bed multi-specialty hospital located at Bhopal, Madhya Pradesh. The hospital is located in the New Bhopal area near Shahpura Lake.

### Profile of the Promoters

Bansal Group is promoted by Mr. Anil Bansal, Mr. Sunil Bansal, Ms. Parul Bansal and Ms. Pooja Bansal and has diversified business interests including Road Construction, Civil Contractor, Soya Oil, Steel, News Channel, Engineering Colleges and HR Consultancy.

### Financial Performance:

As of March 31, 2014, the Company's tangible net worth stood at Rs 31.92 Crores and overall gearing was at 1.83 times. Further, during 9M FY15, AMDPL reported an operating income of Rs. 26.51 Crs, as per information provided by the management.

### Rating Outlook:

AMDPL's performance over the next year is expected to be stable. Going forward, the Company's ability to ramp up the operations of the hospital, improve profit margins and improve their capital structure will be the key rating sensitivities.

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**Ayushman Medical Diagnostics Private Limited**  
**Annexure I – Bank Wise Facilities**

<b>Bank</b>	<b>Facility</b>	<b>Sanctioned Limits ( ₹ Cr)</b>	<b>Sanction Date</b>
Corporation Bank	Term Loan	5.00	Jan 13, 2014
Punjab National Bank	Term Loan - I	14.00	Jan 15, 2014
	Term Loan - II	6.00	Jan 15, 2014
Bank of Baroda	Term Loan	15.00	Jan 15, 2014
State Bank of India [Lead Bank]	Term Loan	32.00	Oct 22, 2012
<b>TOTAL</b>		<b>72.00</b>	