



Press Release

United Ciigma Institute of Medical Sciences Private Limited

June 10, 2020

Ratings

Facilities	Amount (INR crore)	Current Ratings	Rating Action
Long Term Debt – Term Loan	126.75	IVR BB+/Stable Outlook (IVR Double BB Plus with Stable Outlook) ISSUER NOT COOPERATING*	Revised and moved to ISSUER NOT COOPERATING category
Long Term Fund Based Limits	20.00	IVR BB+/Stable Outlook (IVR Double BB Plus with Stable Outlook) ISSUER NOT COOPERATING*	Revised and moved to ISSUER NOT COOPERATING category
Total	146.75		

**Issuer not cooperating, based on best available information*

Details of Facilities are in Annexure 1

Detailed Rationale

The aforesaid rating revision to the bank facilities of United Ciigma Institute of Medical Sciences Private Limited reflects lack of adequate information available about the performance of the company and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the rating revision.



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Note on non-cooperation

Infomerics has repeatedly followed up with the company to provide information to monitor the rating(s) vide e-mail April 16, 2020; April 23, 2020; April 27, 2020; May 07, 2020; May 20, 2020 and May 27, 2020. However, despite repeated requests, the company has failed to submit “No Default Statement” for the months of April and May, Audited financial statements for FY19 and other data for review.

Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the long term rating for the bank loan facilities of United Ciigma Institute of Medical Sciences Private Limited aggregating to INR 146.75 crore to the ‘ISSUER NOT COOPERATING’ category. The rating is now denoted as IVR BB+/Stable Outlook ISSUER NOT COOPERATING (pronounced IVR Double B Plus with Stable Outlook ISSUER NOT COOPERATING).

Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Analytical Approach & Applicable Criteria

Standalone

Rating Methodology for Service Sector Companies

Financial Ratios & Interpretation (Non-Financial Sector)

Guidelines on what constitutes Non-Cooperation by Clients

About the Company

United CIIGMA Institute of Medical Sciences Ltd (UCIMS) is a private limited company incorporated in Feb 2011 by Dr. Unmesh Takalkar. UCIMS is the first NABH accredited hospital in the Marathwada region in the belt between Pune and Nagpur in Maharashtra. Dr. Takalkar, CMD of the hospital is a highly qualified medical professional with a long experience of 25 years. Prior to founding UCIMS, he was in practice at Kodlikeri Memorial Hospital, Aurangabad. Dr. Takalkar is also the Managing Director in Ciigma Institute of Medical Science Private Limited, Aurangabad. He is also the CMD of United Ciigma Hospitals Healthcare Pvt.



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Ltd. (UCHH). The scale of operation in these other hospitals of the Ciigma group is much smaller in comparison with United Ciigma. The hospital is an approved hospital for about 84 schemes. There are 147 beds available in the hospital as of 31st March, 2019 with occupancy level of around 96%. Eminent medical surgeons, Padma Bhushan Dr. D. Nageshwara Reddy (Chairman of Asian Institute of Gastroenterology, Hyderabad) and Padma Bhushan Dr. Suresh Advani are also associated with United Ciigma.

Financials*

(INR crore)

For the year ended / As on	31-03-18	31-03-19
	Audited	Audited
Total Operating Income	80.44	95.35
EBITDA	29.45	36.02
PAT	4.47	9.76
Total Debt	145.31	147.20
Tangible Net worth	36.15	35.42
Ratios		
a. EBIDTA Margin (in %)	36.61	37.77
b. PAT Margin (in %)	5.40	10.03
c. Overall Gearing ratio (x)	4.02	4.16

Note: The above figures are as per information available on the MCA website.

**Classification as per Infomerics' standards.*

Status of non-cooperation with previous CRA: None

Any other information: None



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Rating History for last three years:

Sl. No.	Name of Instrument/ Facilities	Type	Current Rating (Year 2020-21)		Rating History for the past 3 years		
			Amount outstanding (INR crore)	Assigned Rating	Date(s) & Rating(s) assigned in 19-20 (April 15, 2019)	Date(s) & Rating(s) assigned in 18-19	Date(s) & Rating(s) assigned in 17-18
1.	Long Term Debt – Term Loan	Long Term	126.75	IVR BB+/Stable Outlook ISSUER NOT COOPERATING	IVR BBB/Stable Outlook	-	-
2.	Long Term Fund Based Limits	Long Term	20.00	IVR BB+/Stable Outlook ISSUER NOT COOPERATING	IVR BBB/Stable Outlook	-	-

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.



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Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Long Term Debt – Term Loan	--	--	Dec 2030	126.75	IVR BB+ Issuer Not Cooperating
Long Term Fund Based Limits – Cash Credit	--	--	--	20.00	IVR BB+ Issuer Not Cooperating