

**December 16, 2015**

Facility	Amount (Rs. Crore)	Rating
Term Loan	6.50	SMERA BB- (Assigned)

SMERA has assigned a rating of **'SMERA BB-' (read as SMERA double B minus)** to the Rs.6.50 crore bank facility of Narsingh Hospital and Heart Institute Private Limited (NHHIPL). The outlook is **'Stable'**. The rating derives comfort from the experienced management, moderate occupancy rate, given its limited track record of operating as a multi-speciality hospital and diversified service profile. The rating also factors in NHHIPL's comfortable financial profile. However, the rating is constrained by its limited track record of operations as a multi-speciality hospital, small scale of operations and geographic concentration risk.

#### Rating Sensitivity Factors

- Scaling up of operations
- Improvement in profitability
- Improvement in capital structure

#### Outlook: Stable

SMERA believes that NHHIPL will benefit from the extensive experience of its promoters. The outlook may be revised to 'Positive' in case the hospital registers strong growth in revenues and profitability while achieving improvement in capital structure. Conversely, the outlook may be revised to 'Negative' if the hospital registers lower-than-expected revenues and profitability or deterioration in debt protection metrics on account of capital expenditure.

#### About the Company

NHHIPL, incorporated in 2006 as a private limited company is promoted by Dr Ramesh Batra, who earlier ran a clinic and nursing home as a general physician. Dr Batra has an MBBS from Rohtak Medical College with post graduate diplomas. The company runs a 100 bed multi-speciality hospital at Murthal Road, Sonipath with several departments including neurology, cardiology, and orthopaedics among others.

For FY2014-15, NHHIPL reported profit after tax (PAT) of Rs.0.31 crore on a total income of Rs.2.54 crore as against PAT of Rs.0.29 crore on total income of Rs.2.29 crore for FY2013-14.

**Disclaimer:** A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.smera.in](http://www.smera.in)) for the latest information on any instrument rated by SMERA.

### Contact List:

Media/Business Development	Analytical Contact	Rating Desk
Mr. Anthony Jose, Vice President – Business Development, Mid Corporate Tel : +91-22-6714 1191 Cell : +91 9820802479 Email : <a href="mailto:anthony.jose@smera.in">anthony.jose@smera.in</a> Web: <a href="http://www.smera.in">www.smera.in</a>	Mr. Vinay Chhawchharia Associate Vice President - Corporate Ratings, Tel: +91-22-6714 1156 Email: <a href="mailto:vinay.chhawchharia@smera.in">vinay.chhawchharia@smera.in</a>	Tel: +91-22-6714 1184 Email: <a href="mailto:ratingdesk@smera.in">ratingdesk@smera.in</a>

**Disclaimer:** A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.smera.in](http://www.smera.in)) for the latest information on any instrument rated by SMERA.