

Press Release

C Square Healthcare Private Limited

24 April, 2018



Rating Assigned

Total Bank Facilities Rated*	Rs. 20 Cr.
Long Term Rating	SMERA B / Outlook: Stable (Assigned)

* Refer Annexure for details

Rating Rationale

SMERA has assigned long term rating of '**SMERA B**' (**read as SMERA B**) to the Rs.20 crore bank facilities of C Square Healthcare Private Limited (CSHL). The outlook is '**Stable**'.

Incorporated in 2013, C Square Healthcare Pvt. Ltd. (CSHL) is a Bangalore-based company engaged in healthcare services. CSHL is led by Mr. Prakash Ramchandra, Dr. M.C Uthappa, Dr. Srinivas and Dr. K.R Madhava. The company plans to set up a 250 bed multispecialty hospital 'Prakriya' offering a range of healthcare facilities.

Key Rating Drivers

Strengths

Experienced management

The Promoters, Mr. Prakash Ramchandra, Dr. M.C. Uthappa, Dr. Srinivas and Dr. K.R. Madhava have experience of more than two decades in healthcare services in India and overseas.

Weaknesses

Unfavourable regulations

The healthcare industry is highly regulated. The hospital may face competition from reputed players including Columbia Asia Referral Hospital, Aster CMI, Fortis Hospital, Apollo Hospital among others.

Outlook: Stable

SMERA believes that CSHL will maintain a 'Stable' outlook in the medium term owing to the experience of the management. The outlook may be revised to 'Positive' in case the company generates healthy cash flows from operations while achieving comfortable financial risk profile. Conversely, the outlook may be revised to 'Negative' in case of lower than expected revenues and net cash accruals leading to deterioration in the financial risk profile, particularly liquidity.

About the Rated Entity - Key Financials

Not Applicable

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Not Applicable

Applicable Criteria

- Default Recognition - <https://www.smerra.in/criteria-default.htm>
- Entities in Service Sector: <https://www.smerra.in/criteria-services.htm>
- Financial Ratios And Adjustments - <https://www.smerra.in/criteria-fin-ratios.htm>

Note on complexity levels of the rated instrument
<https://www.smera.in/criteria-complexity-levels.htm>

Rating History (Up to last three years)

Not Applicable

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loan	Not Applicable	Not Applicable	Not Applicable	18.00	SMERA B/Stable
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	SMERA B/Stable

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