

## Rating Rationale

Medimatter Health Management Pvt Ltd

14 Nov 2018

**Brickwork Rating downgrades rating to 'BWR B-' for Medimatter Health Management Private Limited's Unsecured Non-Convertible Debentures Issue of Rs 53 Crs with tenure of 10 years.**

### Particulars

Instrument	Issue Date	ISIN	Coupon Rate	Maturity Date	Amount	Rating ^ Review	Rating History Nov 2017
Unsecured NCD	May-2011	INE214Mo8027	0.01% Annually	May 2021	Rs 53 Cr	BWR B- Pronounced as BWR single B Minus (Outlook: Stable) ( Downgrade)	BWR B Pronounced as BWR single B (Outlook: Stable)

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

*The company has informed that as per the board resolution dated 30.3.2018 that the said instrument is now unsecured*

## Rating Downgraded

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

BWR has principally relied upon the audited financial results up to FY18, trustee feedback, publicly available information and information/clarification provided by the Company.

The rating is constrained by the Company's low net worth, uncertain cash-flows and limited information available to BWR with respect to the Company's future growth plans. The instrument is now unsecured based on Board resolution dated 30.3.2018. However, the promoter of the company, Dr. Vikram Jit Singh Chhatwal is a well-qualified professional with good experience in the medical field. Dr. Vikram Jit Singh Chhatwal, MD, PhD, MBA has worked with Indraprastha Apollo Hospital. He is supported by Mr. Prashant Jhaveri who is an MBA from Penn State University.

### Rating Outlook: Stable

BWR believes the Medimatter Health Management 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 revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

### About the Company

Medimatter Health Management Private Limited (MHMPL) was incorporated as Ayurshaili Arogya Chikitsa Private Limited on February 02, 2009. The proceeds of the NCD have been invested in Medi Assist Healthcare Services Limited which has interests in the following businesses:

Health Insurance Third Party Administrator (TPA).

Healthcare and Wellness Services.

### Financial Performance

As per the audited financial statements for FY18, the company has reported total revenue of Rs 15,10,000 and a profit of Rs 2,20,000 against revenue of Rs 12,00,000 in FY17. The Company's debt stood at Rs 53 crores against net worth of Rs 13,20,000.

Parameters	FY 2018 (A) (In Rs)	FY 2017 (A) (In Rs)
Total income	15,10,000	12,00,000
OPBDIT	1,00,000	4,96,131
Profit After Tax (PAT)	2,20,000	3,09,994
Tangible Net worth	13,20,000	5,10,319

### Rating History for the last three years (including withdrawn/suspended ratings)

Sl. No.	Instrument	Current Rating ( 2018)		Rating History		
		Amount (Rs in Crs)	Rating	2017	2016	2015
1	NCD Unsecured	53.00	BWR B- Pronounced as BWR single B Minus (Outlook: stable) Downgraded	BWR B Pronounced as BWR single B (Outlook: stable)	BWR B Pronounced as BWR single B (Outlook: stable)	BWR B Pronounced as BWR single B (Outlook: stable)
	<b>Total</b>	<b>53.00</b>	<b>INR Fifty Three Crores Only</b>			

### Hyperlink/Reference to applicable Criteria

[General Criteria](#)

[Approach to Financial Ratios](#)

[Service Sector](#)



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

#### For print and digital media

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

#### 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, 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 leading public sector 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, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 13,22,500 Cr. In addition, BWR has rated over 7000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹62,000 Cr have been rated.

BWR has rated over 30 PSUs/Public Sector banks, as well as many major private players. BWR has a major presence in ULB rating of nearly 102 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.