



## Unity Care & Health Services Private Limited

Instrument	Amount	Rating Action
	(Rs. Crore <sup>*</sup> )	<b>August 2014</b>
Term Loans	13.20	[ICRA]BBB-(stable) / re-affirmed
Long-Term Fund Based Limits	2.50 (revised from Rs. 1.50 crore)	[ICRA]BBB-(stable) / re-affirmed
Proposed Fund Based Limits	2.80 (revised from Rs. 3.80 crore)	[ICRA]BBB-(stable) / re-affirmed

ICRA has re-affirmed [ICRA]BBB- (pronounced as ICRA triple B minus) rating outstanding on the Rs. 13.20 crore term loans, the Rs. 2.50 crore (revised from Rs. 1.50 crore) long-term fund based facilities and the Rs. 2.80 crore (revised from Rs. 3.80 crore) proposed fund based facilities of Unity Care & Health Services Private Limited ("UCHSPL"/"the company")<sup>†</sup>. The outlook on the long term rating is stable.

The rating continues to reflect the company's long standing presence (operational since 1978) and strong reputation in Mangalore region together with its empanelment with several government schemes and well established relationships with large number of corporate and TPAs supporting healthy occupancy and lending stability to the revenues of the company. The rating also continues to factor the company's stable financial profile characterized by adequate gearing and moderate coverage indicators. Further, addition of new specialities/treatments, new wards focussed towards catering to Non-Resident Indians(NRIs) and high income groups along with strong team of doctors and consultants support UCHSPL's business prospects over the medium term. The rating is, however, constrained by the company's small scale of operations restricting its operational and financial flexibility, increasing competitive intensity in Mangalore with addition of new hospitals and regular investments required towards upgradation and modernisation of the hospital given that it has been in existence since 1978. The management has outlined a moderate debt-funded capital expenditure for 2014-15 and 2015-16, which is likely to maintain pressure on the company's debt protection metrics and cash accruals (given that the net margins have already been under pressure owing to high interest expense).

### Company Profile

Incorporated in October, 2000, Unity Care & Health Services Private Limited owns a 250 bed multi-specialty hospital named Unity Health Complex (UHC) located at Mangalore. The company has been promoted by Dr. C.P. Habeeb Rahman, who originally started the hospital in 1978 as a partnership concern with seven partners operating under the name Yenepoya Health Institute. Witnessing healthy growth, Dr. Rahman also commenced Nursing Diploma in 1982 and a degree college in 1999 within the hospital complex to cater to the captive demand for trained medical staff. With sustained growth in demand for health care services, in 2000, Dr. Rahman converted his venture into a private limited company under the name Unity Care & Health Services Private Limited. With 7 floors and a total area of 8,265 square meters, the hospital presently offers treatments across a large number of specialities including Cardiology, Neurology, Nephrology, Urology, Orthopaedic, Gastroenterology, Oncology, Ophthalmology, Pulmonology and Emergency and Trauma Care.

### Recent Results

As per un-audited results for 2013-14, the company reported an operating income of Rs. 32.1 crore with a profit after tax (PAT) of Rs.1.1 crore. For 2012-13, the company reported an operating income of Rs. 28.4 crore with a PAT of Rs. 0.3 crore.

**August 2014**

<sup>\*</sup> 100 lakhs = 1 crore = 10 million

<sup>†</sup> For complete rating scale and definitions, please refer to ICRA's website [www.icra.in](http://www.icra.in) or other ICRA Rating Publications.



*For further details, please contact:*

*Analyst Contact:*

**Mr. Subrata Ray**, (Tel. No. +91-22-6179 6386)

subrata@icraindia.com

*Relationship Contact:*

**Mr. Jayanta Chatterjee**, (Tel. No. +91-9845022459)

jayantac@icraindia.com

© Copyright, 2014, ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. The ICRA ratings are subject to a process of surveillance which may lead to a revision in ratings. Please visit our website ([www.icra.in](http://www.icra.in)) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information contained herein must be construed solely as statements of opinion and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents

**Registered Office****ICRA Limited**

1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi 110001  
Tel: +91-11-23357940-50, Fax: +91-11-23357014

**Corporate Office****Mr. Vivek Mathur**

Mobile: **9871221122**

Email: [vivek@icraindia.com](mailto:vivek@icraindia.com)

Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurgaon 122002  
Ph: +91-124-4545310 (D), 4545300 / 4545800 (B) Fax; +91- 124-4050424

**Mumbai****Mr. L. Shivakumar**

Mobile: **9821086490**

Email: [shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

1802, 18th Floor, Tower 3,  
Indiabulls Finance Centre,  
Senapati Bapat Marg,  
Elphinstone, Mumbai 400013,  
Board : +91-22-61796300; Fax: +91-22-24331390

**Kolkata****Mr. Jayanta Roy**

Mobile: **+91 9903394664**

Email: [jayanta@icraindia.com](mailto:jayanta@icraindia.com)

A-10 & 11, 3rd Floor, FMC Fortuna  
234/3A, A.J.C. Bose Road  
Kolkata—700020  
Tel +91-33-22876617/8839 22800008/22831411,  
Fax +91-33-22870728

**Chennai****Mr. Jayanta Chatterjee**

Mobile: **9845022459**

Email: [jayantac@icraindia.com](mailto:jayantac@icraindia.com)

5th Floor, Karumuttu Centre  
634 Anna Salai, Nandanam  
Chennai—600035  
Tel: +91-44-45964300; Fax: +91-44 24343663

**Bangalore****Bangalore****Mr. Jayanta Chatterjee**

Mobile: **9845022459**

Email: [jayantac@icraindia.com](mailto:jayantac@icraindia.com)

'The Millenia'  
Tower B, Unit No. 1004, 10th Floor, Level 2 12-14, 1 & 2,  
Murphy Road, Bangalore 560 008  
Tel: +91-80-43326400; Fax: +91-80-43326409

**Ahmedabad****Mr. L. Shivakumar**

Mobile: **989986490**

Email: [shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

907 & 908 Sakar -II, Ellisbridge,  
Ahmedabad- 380006  
Tel: +91-79-26585049, 26585494, 26584924; Fax: +91-  
79-25569231

**Pune****Mr. L. Shivakumar**

Mobile: **989986490**

Email: [shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

5A, 5th Floor, Symphony, S.No. 99, CTS 3909, Range Hills  
Road, Shivajinagar, Pune-411 020  
Tel: + 91-20-25561194-25560196; Fax: +91-20-25561231

**Hyderabad****Mr. Jayanta Chatterjee**

Mobile: **9845022459**

Email: [jayantac@icraindia.com](mailto:jayantac@icraindia.com)

4th Floor, Shobhan, 6-3-927/A&B, Somajiguda, Raj  
Bhavan Road, Hyderabad—500083  
Tel:- +91-40-40676500