Paras Healthcare (Ranchi) Private Limited

January 02, 2024

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	64.98 (Enhanced from 55.00)	CARE BBB+ (CE) (RWD)	Placed on Rating Watch with Developing Implications
Long Term / Short Term Bank Facilities	5.00	CARE BBB+ (CE) / CARE A2 (CE) (RWD)	Placed on Rating Watch with Developing Implications

Details of facilities in Annexure-1.

@The above ratings are based on the credit enhancement in the form of unconditional, irrevocable and continuing corporate guarantee extended by Paras Healthcare Private Limited [PHPL; rated: CAREA BBB+ (RWD) / CARE A2 (RWD)]

Unsupported rating[2]	**CARE BB+ / CARE A4+ [Reaffirmed]**

Note: Unsupported rating does not factor in the explicit credit enhancement.

Rationale and key rating drivers for the credit enhanced debt

The rating assigned to the bank facilities of Paras Healthcare (Ranchi) Private Limited (PHRPL) is backed by the credit enhancement (CE) in the form of an unconditional, irrevocable and continuing corporate guarantee extended by Paras Healthcare Private Limited [PHPL; rated: CARE BBB+ (RWD)/ CARE A2 (RWD)].

Rationale and key rating drivers of PHPL (CE provider)

The ratings assigned to the bank facilities of PHPL have been placed on Rating Watch with Developing Implications considering PHPL has initiated process for exit of the existing PE Investor. CARE Ratings Limited (CARE Ratings) would monitor developments in this regard and will take a view on the ratings once an exact implication of the above event on the financial risk profile of PHPL are clear.

The ratings assigned to the bank facilities of PHPL continue to derive strength from its experienced and professional management team with proven track-record of over two decades in the healthcare industry, strong operational performance of its two flagship multi-specialty hospitals i.e. Gurgaon (Haryana) & Patna (Bihar), which have strong brand image, gradual diversification of revenue in terms of therapeutic segment and positive outlook for the healthcare sector in India.

The ratings also take cognizance of PHPL's growing scale of operations in FY23 (FY refers to the period April 01 to March 31) and 7MFY24 (refers to the period April 01 to October 31) on back of strong operational performance of Gurgaon and Patna hospital with gradual scaling-up of operations of its other multi-specialty hospitals at Panchkula, Udaipur and Ranchi, and commencement of operations at Srinagar hospital while maintaining its moderate profitability and adequate liquidity. The ratings also factor satisfactory progress of the on-going debt-funded capital expenses (capex) at Kanpur hospital.

The above rating strengths, however, are partially offset by high leverage and modest debt coverage indicators on account of debt-funded capex projects and completion & stabilisation risk associated with an on-going capex project. The ratings also factor, fragmented nature of the healthcare industry leading to increase in competition from other organized and unorganized regional players in respective regions and challenges pertaining to attracting and retaining quality doctors.

Rationale and key rating drivers of PHRPL for unsupported Rating

The ratings assigned to the bank facilities of PHRPL factors its strong parentage linkage with PHPL. The ratings continue to remain constrained on account of stablisation risk associated with newly commissioned bed capacities at Ranchi Hospital, its presence in fragmented and competitive healthcare industry and challenges pertaining to attracting & retaining quality doctors & medical professionals.

The above rating weaknesses are partially offset by experienced promoter group with a proven track-record of over a decade in the healthcare industry, need-based support provided by the promoter company for funding debt-funded capex as well as operational losses of PHRPL and positive long-term outlook for the healthcare sector in India. The ratings also take cognizance of better than envisaged operational performance of its hospital at Ranchi, post completion of capex for setting-up of additional bed capacities and achievement of break-even point for operational capacity.

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

[2] As stipulated vide SEBI circular no SEBI/ HO/ MIRSD/ DOS3/ CIR/ P/ 2019/ 70 dated June 13, 2019. As per this circular, the suffix 'CE' (Credit Enhancement) is assigned to the ratings with explicit external credit enhancement, against the earlier used suffix 'SO' (Structured Obligation).

Rating sensitivities (for CE provider, PHPL): Factors likely to lead to rating actions

Positive factors

- Scaling-up of operation of existing hospitals and/ or stabilization of new/ project-phase hospitals resulting in significant growth in its total operating income (TOI).
- Maintaining profit before interest, lease rentals, depreciation and taxation (PBILDT) margin above 15% on a sustained basis, reduction in total external debt/ PBILDT below 2.0 times and PBILDT interest coverage above 3.50 times.

Negative factors

- Delay in stablisation of new/ project-phase hospitals resulting in decline in PBILDT margin below 12% on a sustained basis.
- Continued debt-funded expansion in hospital network leading to further deterioration in financial risk profile of the company.

Analytical approach:

CE rating: Assessment of the corporate guarantor, PHPL.
CARE has analysed the credit profile of PHRPL by considering credit enhancement extended by PHPL in the form of unconditional, irrevocable, and continuing corporate guarantee for the rated bank facilities of PHRPL.
Unsupported rating: Standalone audited financials of PHRPL for the period ended on March 31, 2023 while factoring managerial, operational and financial linkages with the parent company, PHPL.
Analytical approach for PHPL: Consolidated, audited financials of PHPL and its wholly owned subsidiary i.e. PHRPL and Plus Medicare Hospitals Private Limited as on March 31, 2023 is considered for analysis owing to strong management, operational and financial linkages.
List of subsidiaries consolidated in PHPL as on March 31, 2023 is mentioned in Annexure-6.

Outlook: Not applicable

Detailed description of the key rating drivers of PHPL (CE provider)

Exit of the private equity (PE) funds:
In July, 2017, PHPL had raised equity capital by way of Compulsorily Convertible Preference Shares (CCPS) from Creador (through Commelina Limited, its investment vehicle). The CCPSs were converted into equity capital in September, 2018. As per the terms of Investment and Share Purchase Agreement dated July 06, 2017, PHPL has a buyback obligation to purchase the shares held by PE firm at a fair market value at the expiry of 63 months (plus a period of 12 months extended due to COVID-19) from the closing date.
The exit period of PE investor has expired and PHPL has initiated the process to give exit to the PE investor. The management expects to complete the same by the end of FY24 or early Q1FY25.
In view of the above, CARE Ratings has placed the ratings of PHPL under 'Rating Watch with Developing Implications' (RWD). CARE Ratings would monitor developments in this regard and will take a view on the ratings once the exact implications of the above event on the financial risk profile of the PHPL are clear.

Key strengths

Growing in scale of operations; albeit moderate profitability:
PHPL's consolidated TOI grew by 17% to Rs.918 crore in FY23 (Rs.780 crore in FY22) on account of improvement in occupancy levels and average revenue per occupied bed (ARPOB) of its existing hospitals i.e. Gurgaon and Panchkula along with increase in revenue share from other two existing multi-speciality hospitals i.e. Udaipur and Ranchi.
Post completion of capex for setting-up of 200 beds hospital at Srinagar, PHPL has commenced operations in June, 2023 at partial capacity. PHPL has also completed the entire capex for setting-up of additional 250 beds hospital at Ranchi hospital and commenced operations with partial capacity (out of total capacity of 300 beds) in a phased manner.
With gradual scaling-up of operations of existing hospitals at Patna, Panchkula, Ranchi and Udaipur and commencement of operations at Srinagar hospital, PHPL reported TOI of Rs.673 crore in 7MFY24 (Provisional) [Rs.444 crore H1FY23 (prov.)]
CARE Ratings expects growth in PHPL's scale of operations with increase in occupancy levels and ARPOB of existing hospitals (except Darbhanga) and scaling-up of new hospitals along with commencement of operations of project-phase hospital at Kanpur.

Moderate profitability:
During FY23, PHPL's PBILDT margin declined by 143 bps y-o-y to 13.57% in FY23 owing to moderation in profitability of Patna and Panchkula hospital and losses of Darbhanga hospital. The occupancy level and ARPOB of Patna hospital has declined in past two years ended FY23 owing to competition from new hospitals in the region which led to movement of its medical professionals

and decline in high-margin of critical surgery segment, impacting the hospital's ARPOB and increase in overheads. Nevertheless, overall profitability of PHPL remained moderate due to healthy margin reported by its Gurgaon hospital, better than envisaged operational performance of Ranchi hospital and profitability from Udaipur hospital. During 7MFY24 (prov.), PHPL reported overall PBILDT margin of 11% (13% in H1FY23), deterioration in margin was on account of reasons mentioned above for the Patna hospital and losses from Srinagar and Ranchi hospital. The hospital at Ranchi achieved Break Even Point (BEP) in August, 2023 and will contribute towards PHPL's profitability going forward.
While PHPL's established hospitals is envisaged to report improvement in profitability, CARE Ratings expects overall profitability to remain rangebound in the near term due to losses from newly commissioned hospitals.

Strong operational performance of its two flagship hospitals with gradual scaling-up in operations of other multi-specialty hospitals:
PHPL commenced operations of its first hospital in Gurgaon in 2006 and then gradually expanded its hospital network to other regions. Currently, PHPL is operating seven multi-super specialty hospitals under the brand name of 'Paras Health', two of which is located in Haryana, two in Bihar, one in Rajasthan, one in Jharkhand and one in Jammu & Kashmir, and further expanding to Uttar Pradesh. Gurgaon and Udaipur hospital (acquired in June, 2022 through 100% equity acquisition in Plus Medicare Hospitals Private Limited, PMHPL) are owned by PHPL, whereas other hospital operates on lease arrangements basis for a long tenure of around 20-35 years.
Paras Hospital, Gurgaon has operational track record of around 17+ years, Paras HMRI Hospital, Patna is operational for around 10 years, while other hospitals have operational track record of less than 5 years.
The occupancy level of Gurgaon hospital grew y-o-y and remained healthy at 75-80% in past three years ended on FY23, whereas at Patna hospital occupancy level remained at 60-70%. Collectively, these two hospitals contributed 65% of PHPL's gross revenue for FY23 (70% in FY22). Panchkula hospital has started scaling-up with increase in occupancy level to 60-70% (50-60% in FY22). Also, hospitals at Udaipur and Ranchi are scaling-up gradually and currently reporting with an occupancy of 40-45%.
PHPL's overall occupancy levels are envisaged to improve from FY24 onwards, with gradual scaling-up of Panchkula, Udaipur, Ranchi and Srinagar hospitals along with commencement of operations of multi-specialty hospital at Kanpur. Furthermore, PHPL's revenue concentration from its Gurgaon and Patna hospitals is envisage to reduce with scaling up of operations of the new as well as project-phase hospitals.

Satisfactory project progress of on-going debt-fund capex at Kanpur; albeit remined exposed to stablisation risk:
PHPL is undertaking a debt-funded capex for setting-up a multi-specialty hospital at Kanpur (total 435 census bed capacity) in a phased manner. Under Phase-I, PHPL has planned construction of civil structure for the entire capacity (i.e. 435 beds), however medical equipment and other medical facilities will be acquired initially for 200 bed capacity. The total cost of the capex is estimated at Rs.230 crore, out of which Rs.190 crore pertains to phase-I capex. Phase-I capex cost is envisaged to be funded by term loan of Rs.152 crore (financial closure has been achieved for Rs.100 crore) and balance through internal accruals/ available liquid funds. For balance financial tie-up, PHPL is under negotiation with the lender.
As on September 30, 2023, PHPL has incurred cost of Rs.102 crore, majorly consisting cost of civil structures, financed by term loan of Rs.58.80 crore and balance through internal accruals/ liquid funds. PHPL has placed orders for required medical equipment/ machinery and expects to soft launch phase-I unit with 200 census bed capacity by mid of January, 2024 and commence commercial operations by the end of Q4FY24. The balance cost will be incurred post stablisation of phase-I bed capacities. Completion of the capex within envisaged cost and timeline along with realisation of envisaged benefits therefrom shall remain crucial from credit perspective.

Experienced and professional management team with proven track record of operations in healthcare industry:
Dr. Dharminder Nagar, managing director, has an experience of over more than two decades in the healthcare industry. He graduated as a doctor from Mysore University in 1995 and possesses M. Phil in Hospital and Health System Management from Birla Institute of Technology and Science, Pilani. He has also undertaken an Executive Management Program in healthcare delivery from Harvard Business School and holds an Advanced Diploma in Healthcare Management and Health Systems Administration from Imperial College, London. He is ably supported by a team of experienced medical/ financial professions for day to day operations and strategic decisions making.
PHPL has an experienced team of more than 3500 employees including doctors, nursing and other support staff. The promoters have ensured availability of renowned medical practitioners across multiple therapeutic segments which have resulted in gradual increase in occupancy as well as built-up their reputation in the respective segments. Reputed doctors like Padmashree Dr. V.S. Mehta, has been associated with PHPL for past 15+ years and is serving as the director of Paras Institute of Neurosciences. Padmashree Dr. Alka Kriplani, (a Dr. B.C. Roy National awardee) is also associated with PHPL for more than five years and heads the Gynecology, Obstetrics and Antiretroviral therapy (ART) department. Padmashree Dr. M.V. Padma Shrivastava, has more than 30 years of experience of stroke management, dementia due to Alzheimer, multiple sclerosis, management of cerebrovascular

disease, seizures in Epilepsy etc. has joined the Paras group as a chairperson in Neurology. Furthermore, PHPL has invested consistently in up-gradation and renewal of medical equipment to support smooth functioning. Thus, all the PHPL's hospitals are well equipped with state of-the-art and high-end medical machinery/ equipment.

Gradual diversification of revenue in terms of therapeutic segment:
PHPL offers a wide range of medical and surgical care in almost all major therapeutic segments (55+ specialties). PHPL earned major revenue from critical therapeutic segments viz. Cancer care (around 17% of total gross revenue for FY23), Orthopedics & joint replacement (around 14%), Cardiology (around 11%), and Neurosurgery (around 9%) which collectively contributed 52% of its gross revenue during FY23 (PY: 48%) while the balance was from other segments including Neurology, Nephrology, Gastroenterology & GI surgery, Cardiac surgery and Urology among others.

Positive long-term outlook for the healthcare sector in India:
The Indian healthcare sector has exhibited a strong compounded annual growth rate (CAGR) of 20% since 2016, led by growing demand augmented by affordability, policy support by the government and aggressive greenfield and brownfield expansion by hospital chains. CARE Ratings expects healthcare services in India to continue to grow at a healthy rate on account of likely rise in per capita income and health insurance markets and a transition in disease profile of the country arising from growing lifestyle diseases. In addition to this, the healthcare industry is extending the services of e-consultations and other home care services that will also support their revenues. As per CARE Ratings estimates, the bed capacity of leading hospital chains is also expected to increase by 30% by FY25. With hospital chains foraying into retail pharmacies, diagnostics, clinics and specialty clinic chains, the sector is witnessing integration and retailisation across.

Key weaknesses

Leveraged capital structure and weak debt coverage indicators:
During FY17, PHPL had raised equity capital by way of CCPS from PE firm. The CCPSs were converted into equity capital in September 2018. As per the shareholder's agreement and the terms of the PE, there is a buyback obligation on PHPL to purchase shares held by PE firm at a fair market value (FMV) after the expiry of 63 months (plus a period of 12 months extended due to covid-19) from closing date. Under the Indian Generally Accepted Accounting Principles (IGAAP) accounting, PHPL had reported CCPSs as shareholder's fund. However, post adoption of IND-AS, PHPL has measured value of the CCPS at FMV and re-classified the same under liability at FMV. This treatment of equity shares held by PE was largely due to exit option available with the PE investor and buyback obligations on PHPL. The gain/ loss on fair valuation of this equity capital has been reported under other income in profit & loss statement.
On account of collective effect of these changes, PHPL's outstanding debt has increased substantially whereas its tangible net worth has declined during last five financial years ended on March 31, 2023.
As on March 31, 2023, PHPL's total external debt stood at Rs.395 crore (Rs.214 crore as on March 31, 2022), which was increased to Rs.496 crore as on November 30, 2023 due to availment of term loans towards multiple-debt funded capex projects. Additional term loan of Rs.30-35 crore is expected to be availed in FY24 for on-going capex towards Kanpur unit and/or purchase medical equipment/ machinery for other units. Nevertheless, on consolidated basis, PHPL's overall borrowings will be capped to maintain total external debt to PBILDT of 3.0 times at all times. Total external debt includes term loan and net working capital borrowings. As on November 30, 2023, PHPL had cash & liquid investment of Rs.144 crore (Rs.162 crore as on March 31, 2023), after netting off the same, net debt of the company stood at Rs.352 crore as on November 30, 2023 (Rs.233 crore as on March 31, 2023) resulting in high gearing indicators.
Debt coverage indicators remained moderate as indicated by PBILDT interest coverage ratio of 2.44x in FY23 (3.52x in FY22); albeit total external debt to Gross Cash Accruals (GCA) remained high at 6.21 years in FY23 (2.73 years in FY22).

Challenges of attracting and retaining quality medical professionals:
Undertaking new hospital projects and expanding its existing facilities requires adequate availability of trained doctors and medical personnel. However, given the increasing competition and scarcity of quality medical specialists, the ability of the company to retain its current medical fraternity would be a key differentiator. Furthermore, probable loss of the services of any senior medical personnel may seriously impair the company's ability to continue to manage and expand its operations due to highly skill driven nature of medical services. The Paras group has a dedicated team of full-time consultant doctors who practice in various therapeutic areas. Also, PHPL strategically selects the location of its hospitals in the regions which has medical colleges so as to attract doctors and medical professionals from the same region.

Fragmented nature of healthcare industry leading to increasing competition:
The healthcare sector is highly fragmented with few large players in the organised sector and numerous small players in the unorganised sector leading to high level of competition in the business. Thus, differentiating factors like range of services

offered, quality of service, pedigree of doctors, success rate in treatment of complex/critical diseases, etc. will be crucial in order to attract patients and increase occupancy.

Liquidity: Adequate

PHPL's liquidity continues to remain adequate marked by healthy cushion available in form of GCA of Rs.64 crore (FY23) vis-à-vis long-term repayment obligations of around Rs.35-50 crore (FY24-FY26). PHPL reported cash flow from operation of around Rs.60 crore in FY23 (Rs.91 crore in FY22); decline was due to elongation of receivable from patients treated under Central/ state government penal schemes. PHPL majorly utilises overdraft limit availed against fixed deposits for meeting its working capital requirements to take interest rate benefit, thus, average maximum utilisation of fund-based working capital limits remained low at 48% during trailing 12 months ended on November 30, 2023.

As on November 30, 2023, PHPL had total cash & bank balances of Rs.144 crore including fixed deposits lien marked towards overdraft limit (Rs.162 crore as on March 31, 2023).

Assumptions/Covenants: Please refer Annexure-3

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

Policy on default recognition
Consolidation
Factoring Linkages Parent Sub JV Group
Financial Ratios – Non financial Sector
Liquidity Analysis of Non-financial sector entities
Rating Credit Enhanced Debt
Rating Outlook and Credit Watch
Short Term Instruments
Hospital
Policy on Withdrawal of Ratings

Adequacy of credit enhancement structure

The corporate guarantee extended by PHPL is unconditional and irrevocable, legally enforceable for the entire tenor of the term debt and working capital borrowings, which follows the Reserve Bank of India's (RBI's) guidance note on bank loan - credit enhanced ratings dated April 22, 2022 and subsequent FAQs dated July 26, 2022 w.r.to credit enhancement ratings. The executed corporate guarantee deeds met all the required stipulations of above-said RBI guidance note.

About the company and industry for PHPL, (CE provider)

Industry classification

Macro-economic Indicator	Sector	Industry	Basic Industry
Healthcare	Healthcare	Healthcare Services	Hospital

PHPL was promoted by Dr. Dharminder Nagar in 2006 having successful operational track record of more than a decade in the Healthcare Industry. Presently, PHPL operates seven multi-super specialty hospitals in North and East India with a total census inventory of 1,700 beds. In July 2017, Creador, a Southeast-Asia based and India focused private equity (PE) firm had invested Rs.260.03 crore (through Commelina Ltd., its investment vehicle) by subscribing 62,245 equity share along with 10,22,182, 0.01% Series A, CCPS. These CCPS were converted into ordinary equity shares in September 2018. Post this conversion, Commelina Ltd. held 24.68% equity stake in PHPL.

Brief Financials (₹ crore) – Consolidated	March 31, 2022 (A)	March 31, 2023 (A)	October 31, 2023 (P)
Total operating income	779.92	917.92	673.14
PBILDT	117.01	124.59	71.24
PAT	-14.81	-42.79	NA
Overall gearing (times)	10.31	48.06	NA
Overall gearing (times)^	2.96	16.20	NA
Interest coverage (times)	3.52	2.44	NA

A: Audited P: Provisional; ^excusing lease liability and CCPs as a part of overall debt liability; Note: 'the above results are latest financial results available'

About the company and industry, PHRPL

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Healthcare	Healthcare	Healthcare Services	Hospital

Incorporated on December 29, 2017, PHRPL is promoted by PHPL. PHRPL has entered into 35 years of concession agreement with HEC (a Govt. of India undertaking headquartered at Ranchi) for operation and management of its existing 50 bed hospital along with expansion of the existing capacity by another 250 beds on adjacent land provided by HEC at Ranchi, Jharkhand on design, build, finance, operate and transfer (DBFOT) basis.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	October 31, 2023 (P)
Total operating income	3.86	39.01	47.08
PBILDT	-4.99	-13.36	-2.48
PAT	-20.42	-40.42	NA
Overall gearing (times)	NM	NM	NM
Interest coverage (times)	NM	NM	NM

A: Audited; P: Provisional; NM: Not meaningful; NA: Not available; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: None

Any other information: Not applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument/ facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/ facilities

Name of the Bank facilities	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	5.00	CARE BBB+ (CE) (RWD)
Fund-based - LT-Term Loan	-	-	-	August, 2031	59.98	CARE BBB+ (CE) (RWD)
Non-fund-based - LT/ ST-Bank Guarantee	-	-	-	-	5.00	CARE BBB+ (CE) / CARE A2 (CE) (RWD)
Un Supported Rating-Un Supported Rating (LT/ST)	-	-	-	-	0.00	CARE BB+ / CARE A4+

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Term Loan	LT	59.98	CARE BBB+ (CE) (RWD)	-	1)CARE BBB+ (CE); Stable (02-Dec-22)	1)CARE BBB+ (CE); Stable (07-Mar-22)	1)CARE BBB+ (CE); Stable (07-Jan-21)

Sr. No.	Name of the Bank Facilities	Current Ratings: Type	Current Ratings: Amount Outstanding (₹ crore)	Current Ratings: Rating	Rating History: Date(s) and Rating(s) assigned in 2023-2024	Rating History: Date(s) and Rating(s) assigned in 2022-2023	Rating History: Date(s) and Rating(s) assigned in 2021-2022	Rating History: Date(s) and Rating(s) assigned in 2020-2021
							2)CARE BBB+ (CE); Stable (03-Dec-21)	2)CARE BBB+ (CE); Stable (03-Sep-20)
2	Fund-based - LT-Cash Credit	LT	5.00	CARE BBB+ (CE) (RWD)	-	1)CARE BBB+ (CE); Stable (02-Dec-22)	1)CARE BBB+ (CE); Stable (07-Mar-22) 2)CARE BBB+ (CE); Stable (03-Dec-21)	1)CARE BBB+ (CE); Stable (07-Jan-21) 2)CARE BBB+ (CE); Stable (03-Sep-20)
3	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST*	5.00	CARE BBB+ (CE) / CARE A2 (CE) (RWD)	-	1)CARE BBB+ (CE); Stable / CARE A2 (CE) (02-Dec-22)	1)CARE BBB+ (CE); Stable / CARE A2 (CE) (07-Mar-22) 2)CARE BBB+ (CE); Stable / CARE A2 (CE) (03-Dec-21)	-
4	Un Supported Rating-Un Supported Rating (LT/ST)	LT/ST*	0.00	CARE BB+ / CARE A4+	-	1)CARE BB+ / CARE A4+ (02-Dec-22)	1)CARE BB / CARE A4 (07-Mar-22) 2)CARE BB / CARE A4 (03-Dec-21)	1)CARE BB (07-Jan-21) 2)CARE BB (03-Sep-20)

*Long term/Short term.

Annexure-3: Detailed explanation of covenants of the rated facilities (applicable to PHRPL)

Name of the Instrument	Detailed Explanation
A. Financial covenants	Not mentioned specifically in the sanction letter
B. Non-financial covenants	
Corporate guarantee	Un-conditional and irrevocable corporate guarantee of Paras Healthcare Private Limited shall be available for the entire tenor of rated bank facilities of PHRPL.

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - LT/ ST-Bank Guarantee	Simple
4	Un Supported Rating-Un Supported Rating (LT/ST)	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here]

Annexure 6: List of entities consolidated in PHPL as on March 31, 2023

Sr. No.	Name of the entity	Domicile	% shareholding of PHPL	Primary business activity of the entity
1	Paras Healthcare (Ranchi) Private Limited	India	100%	Operation and maintenance (O&M) of a Multi-specialty hospital at Ranchi, Jharkhand
2	Plus Medicare Hospitals Private Limited (PMHPL)	India	100%	Leasing of hospital building and O&M of a multi-specialty hospital at Srinagar (J&K).

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About us:
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