

Press Release

Pradhama Multispecialty Hospitals & Research Institute Limited

January 22, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 120.00 Cr. #
Long Term Rating	ACUITE C (Downgraded from ACUITE B) Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuite has downgraded the long term rating to '**ACUITE C**' (read as **ACUITE C**) from '**ACUITE B**' (read as **ACUITE B**) on the Rs. 120.00 crore bank facilities of Pradhama Multispecialty Hospitals & Research Institute Limited (PMIL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information available on public domain.

Pradhama Multispecialty Hospitals & Research Institute Ltd. unlisted public corporate controlled jointly by Dr. Visweswara Rao Pusarla & Dr. Ramamurthy Kummariganti, both leading medical professionals / qualified doctors practicing in Vishakhapatnam City. While M/s. Sagara Durga Hospitals, having 100 bed capacities is owned entirely by Dr. P. Visweswara Rao & his family; whereas, M/s. Simhadri Super Specialty Hospitals, having 60 bed capacities is jointly owned & operated by Dr. K. Ramamurthy & three other medical professionals practicing in the city.

Non-cooperation by the issuer/borrower

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Entities in Service Sector- <https://www.acuite.in/view-rating-criteria-50.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

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

Not Applicable

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
02-May-2019	Term Loan	Long Term	120.00	ACUITE B (Indicative)
12-Feb-2018	Term Loan	Long Term	120.00	ACUITE B (Indicative)
10-Nov-2016	Term Loan	Long Term	120.00	ACUITE B/ Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term Loan	Not Applicable	Not Applicable	Not Applicable	120.00	ACUITE C (Downgraded from ACUITE B) Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

Contacts

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About Acuite Ratings & Research:

Acuite Ratings & Research Limited (*erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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