

Press Release

Shubhram Hospital Solutions Private Limited

February 19, 2019



Rating Withdrawn

Total Instruments Rated*	Rs.83.00 Cr.
Long Term Rating	ACUITE AA (SO) (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn the long term rating of '**ACUITE AA (SO)**' (**read as ACUITE double A structured obligation**) to the Rs.83.00 crore bank facilities of Shubhram Hospital Solutions Private Limited. The rating withdrawal is in accordance with the Acuité's 'policy on withdrawal of rating'.

The rating is being withdrawn on account of request received from the company, No dues certificate (NDC) and No Objection Certificate (NOC) received from the banker.

Shubhram Hospital Solutions Private Limited (SHSPL) incorporated in 2014 is a subsidiary of Servizi Italia an Italy based company holding 51 per cent shares of SHSPL. Servizi Italia is listed on Milan stock exchange and is engaged in wash-hire, linen sterilisation, surgical instruments sterilisation and supply of surgical procedure kits for healthcare, public and private hospitals. Besides, India Servizi Italia has presence in Brazil and Turkey.

SHSPL is promoted by Dr. Shashi Baliyan, Dr. Seema Naliyan, Dr. Maurizio Casol, Dr. Enea Righi and Dr. Luciano Facchini. The company provides linen management services to domestic hospitals. SHSPL has tie up with various hospitals including Sri Ganga Ram Hospital, Fortis Group (Delhi, Gurgaon, Jaipur, Mohali, Shalimar Bagh & Ludhiana) and Paras Healthcare. SHSPL commenced operations in FY2016.

Analytical Approach

To arrive at its rating, Acuité has considered the credit enhancement in the form of SBLCs issued by Unicredit S.P.A and Axis Bank.

About the Rated Entity Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	34.58	26.58	3.96
EBITDA	Rs. Cr.	(3.80)	6.35	(6.87)
PAT	Rs. Cr.	(15.23)	1.49	(15.17)
EBITDA Margin	(%)	(10.98)	23.90	(173.51)
PAT Margin	(%)	(44.04)	5.60	(383.18)
ROCE	(%)	(23.89)	(4.70)	(19.94)
Total Debt/Tangible Net Worth	Times	(21.34)	11.43	(9.14)
PBDIT/Interest	Times	(1.67)	1.70	(2.15)
Total Debt/PBDIT	Times	(25.21)	12.15	(7.57)
Gross Current Assets (Days)	Days	153	150	308

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

None

Any other information

None

Applicable Criteria

- Entities in Service Sector - <http://acuite.in/view-rating-criteria-8.htm>
- Financial Ratios and Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Securitized Transactions - <https://www.acuite.in/view-rating-criteria-29.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument /Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
11-Jan-2018	Term loan I	Long Term	58.00	ACUITE AA (SO)/Stable (Assigned)
	Term loan II	Long Term	2.00	ACUITE AA (SO)/Stable (Assigned)
	Term loan III	Long Term	3.00*	ACUITE AA (SO)/Stable (Assigned)
	Overdraft	Long Term	20.00	ACUITE AA (SO)/Stable (Assigned)

*Sublimit of Rs.3.00 crore as Buyer's Credit

Sublimit of Rs.3.00 crore as Letter of Credit

*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 I	Not Applicable	Not Applicable	Not Applicable	58.00	ACUITE AA (SO) (Withdrawn)
Term loan II	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE AA (SO) (Withdrawn)
Term loan III	Not Applicable	Not Applicable	Not Applicable	3.00*	ACUITE AA (SO) (Withdrawn)
Overdraft	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE AA (SO) (Withdrawn)

*Sublimit of Rs.3.00 crore as Buyer's Credit

Sublimit of Rs.3.00 crore as Letter of Credit

Contacts

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About Acuité Ratings & Research:

Acuité 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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