

## Press Release

### PIMS Medical And Education Charitable Society

August 03, 2021



#### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs.43.00 Cr. #
<b>Long Term Rating</b>	ACUITE BB- (Downgraded from ACUITE BB / Stable) Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

# Refer Annexure for details

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

#### Rating Rationale

Acuité has downgraded the long term rating to '**ACUITE BB-**' (**read as ACUITE double B minus**) from '**ACUITE BB**' (**read as ACUITE double B**) and the short term rating to '**ACUITE A4**' (**read as ACUITE A four**) from '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs.43.00 Cr. bank facilities of PIMS Medical And Education Charitable Society (PIMS). The rating is now flagged as an 'Issuer Not-Cooperating' based on best available information.

#### About the Entity

Established in the year 1999 by the Punjab Government, PIMS is a Jalandhar, Punjab based medical college and hospital. The hospital commenced its operation in the year 2010. Subsequently, it was converted into a Public Private Partnership Society and was taken over by a professional board in 2013. Since 2011, the college has started operating.

#### Non-cooperation by the issuer/borrower

Acuité 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 the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an 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>
- Service Sector Entities - <https://www.acuite.in/view-rating-criteria-50.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>

#### Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.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). Acuité has endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

#### Liquidity Position

No information provided by the issuer / available for Acuité to comment upon.

#### Rating Sensitivities

No information provided by the issuer / available for Acuité to comment upon.

### About the Rated Entity - Key Financials

The rated entity has not shared the latest No Default Statement despite repeated requests.

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

Not Applicable

### Any other information

None

### Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
02-Jul-2020	Secured Overdraft	Long Term	10.00	ACUITE BB / Stable (Upgraded)
	Term Loan	Long Term	1.90	ACUITE BB / Stable (Upgraded and Withdrawn)
	Proposed Secured Overdraft	Long Term	2.00	ACUITE BB / Stable (Upgraded)
	Bank Guarantee	Short Term	31.00	ACUITE A4+ (Upgraded)
25-Jun-2019	Secured Overdraft	Long Term	10.00	ACUITE B / Stable (Reaffirmed)
	Term Loan	Long Term	1.90	ACUITE B / Stable (Reaffirmed)
	Proposed Secured Overdraft	Long Term	6.30	ACUITE B / Stable (Reaffirmed)
	Bank Guarantee	Short Term	31.00	ACUITE A4 (Reaffirmed)
16-Apr-2018	Secured Overdraft	Long Term	10.00	ACUITE B / Stable (Assigned)
	Term Loan	Long Term	1.90	ACUITE B / Stable (Assigned)
	Proposed Secured Overdraft	Long Term	6.30	ACUITE A4 (Assigned)
	Bank Guarantee	Short Term	31.00	ACUITE A4 (Assigned)

### #Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Union Bank of India	Secured Overdraft	Not Applicable	Not Available	Not Applicable	10.00	ACUITE BB- (Downgraded from ACUITE BB / Stable) Issuer not co-operating*
Union Bank of India	Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	31.00	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
Not Applicable	Proposed Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB- (Downgraded from ACUITE BB / Stable) Issuer not co-operating*

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

## Contacts

Analytical	Rating Desk
Aditya Gupta Vice President – Corporate Ratings Tel: 022 – 49294041 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>	Varsha Bist Senior Manager – Rating Desk Tel: 022 – 49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>
Aditya Sahu Analyst – Rating Operations Tel: 022 – 49294055 <a href="mailto:aditya.sahu@acuite.in">aditya.sahu@acuite.in</a>	

## About Acuité Ratings & Research:

Acuité Ratings & Research 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 8,797 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.

**Disclaimer:** An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.acuite.in](http://www.acuite.in)) for the latest information on any instrument rated by Acuité. Acuité's rating scale and its definitions.