



Press Release

Pan Healthcare Private Limited

August 08, 2022

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	3.00	-	ACUITE A4+ Downgraded Issuer not co-operating*
Bank Loan Ratings	72.70	ACUITE BB+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	75.70	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and downgraded its short term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.75.70 crore bank facilities of Pan healthcare private limited. This rating is now an indicative rating and is based on the best information available.

About the Company

Incorporated in the year 2016, PHPL is engaged in manufacturing of baby diapers, adult diapers and sanitary napkins. The directors of the company Mr. Alpeshbhai V allabhbai Pan, Mr. Chirag Mansukhbhai Pan, Mr. Amber Anilbhai Patel and Mr. Riteshbhai Mansuk hbhai Patel. The manufacturing facility of the company is located at Rajkot, Gujarat. The company caters to retail segment under the brand name of "Little Angel" for baby diapers, "Liberty" for adult diapers and "Ev erteen" for sanitary napkins. PHPL is distributing its goods in Pan India through distribution centers located at 23 different location in the country. The company is a part of 'Pan Health Group' which is a subset of Pan group, which has div erse business interests across cotton ginning, cement manufacturing, laminate manufacturing, agricultural equipment manufacturing, agro commodity trading, etc.

About the Group

Pan Health Group is a subset of Pan Group and consists of PHPL and PHHPL. While Pan Group consists of Jaydeep Cotton Fibres Private Limited [JCFPL] (ACUITE BBB+/ Stable/ ACUITE A2), Pan Agri Exports [PAE] (ACUITE BBB+/ Stable/ ACUITE A2), PHPL, PHHPL and Pan Tex Nonwoven Private Limited (PTNWPL). JCFPL and PAE are engaged in the ginning, pressing & trading of raw cotton and trading of cotton bales and other agro-based commodities. PHPL started its operations in FY2018 while PHHPL is proposed to start operations in phased manner divided into 4 phases. Both the entities are engaged in the manufacturing of baby diapers, adult

diapers and sanitary napkins. The group is promoted by Mr. Mansukhbhai Pan, Mr. Arvindbhai Pan and Dr. Anil Patel, who have more than three decades of experience in varied line of businesses. PTNWPL is proposed to manufacture non-woven textiles in order to backward integrate the process of manufacturing of hygiene products and is proposed to commence operations in April 2022.

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. This rating is therefore being flagged as "Issuer not cooperating", in line with prevailing SEBI regulations and Acuité's policies.

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 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 ratings based.

Rating Sensitivities

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Key Financials

Particulars	Unit	FY 20 (Actual)	FY 19 (Actual)
Operating Income	Rs. Cr.	88.33	39.67
PAT	Rs. Cr.	5.62	(6.11)
PAT Margin	(%)	6.36	(15.40)
Total Debt/Tangible Net Worth	Times	1.70	2.68
PBDIT/Interest	Times	5.05	1.46

Status of non-cooperation with previous CRA

ICRA, vide its press release dated June 24, 2022 had denoted the rating of PAN HEALTHCARE PRIVATE LIMITED as 'ICRA B+/ICRA A4; ISSUER NOT CO-OPERATING' on account of lack of adequate information required for monitoring the ratings.

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
24 May 2021	Working Capital Demand Loan	Long Term	1.50	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	28.90	ACUITE BBB- Stable (Reaffirmed)
	Bank Guarantee	Short Term	3.00	ACUITE A3 (Reaffirmed)
	Proposed Bank Facility	Long Term	19.94	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	7.36	ACUITE BBB- Stable (Reaffirmed)
12 Jan 2021	Cash Credit	Long Term	15.00	ACUITE BBB- Stable (Upgraded from ACUITE BB Stable)
	Term Loan	Long Term	28.90	ACUITE BBB- Stable (Upgraded from ACUITE BB Stable)
	Working Capital Demand Loan	Long Term	1.50	ACUITE BBB- Stable (Assigned)
	Bank Guarantee	Short Term	3.00	ACUITE A3 (Upgraded from ACUITE A4+)
	Proposed Bank Facility	Long Term	19.94	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	7.36	ACUITE BBB- Stable (Upgraded from ACUITE BB Stable)
30 Dec 2019	Cash Credit	Long Term	17.00	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	45.00	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	10.70	ACUITE BB Stable (Assigned)
	Bank Guarantee	Short Term	3.00	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE A4+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE BB+ Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	19.94	ACUITE BB+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	01-04-2018	11.15	31-03-2024	7.36	ACUITE BB+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	01-04-2018	11.15	31-03-2026	28.90	ACUITE BB+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Working Capital Demand Loan (WCDL)	Not available	Not available	Not available	1.50	ACUITE BB+ Downgraded Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Tanvi Kadam Analyst-Rating Operations Tel: 022-49294065 tanvi.kadam@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, 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. Ratings assigned by Acuité 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. Ratings assigned by Acuité 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) for the latest information on any instrument rated by Acuité.