



Press Release
PAN HEALTHCARE PRIVATE LIMITED
January 17, 2025
Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	72.70	ACUITE BB Downgraded Issuer not co-operating*	-
Bank Loan Ratings	3.00	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	75.70	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-
* The issuer did not co-operate; based on best available information.			

Rating Rationale

Acuite has downgraded the long-term rating to ‘**ACUITE BB**’ (read as **ACUITE double B**) from ‘**ACUITE BB+**’ (read as **ACUITE double B plus**) and reaffirmed the short term rating of ‘**ACUITE A4+**’ (read as **ACUITE A four plus**) on the Rs.75.70 crore bank facilities of Pan healthcare private limited on account of information risk. The rating continues to be flagged as “Issuer Not-Cooperating” and is based on the best available information.

About the Company

Incorporated in the year 2016, Pan healthcare private limited is engaged in manufacturing of baby diapers, adult diapers and sanitary napkins. The directors of the company Mr. Alpeshbhai V allabhbhai 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 diverse 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.

Unsupported Rating

Not Applicable

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 unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuité’s policies.

Limitation regarding information availability

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

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

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	343.15	340.90
PAT	Rs. Cr.	13.15	31.04
PAT Margin	(%)	3.83	9.11
Total Debt/Tangible Net Worth	Times	0.12	1.09
PBDIT/Interest	Times	4.32	11.68

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- 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>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
25 Oct 2023	Bank Guarantee (BLR)	Short Term	3.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	7.36	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	15.00	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	28.90	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Working Capital Demand Loan (WCDL)	Long Term	1.50	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	19.94	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
08 Aug 2022	Bank Guarantee/Letter of Guarantee	Short Term	3.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3)
	Term Loan	Long Term	7.36	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Cash Credit	Long Term	15.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Term Loan	Long Term	28.90	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Working Capital Demand Loan (WCDL)	Long Term	1.50	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Proposed Long Term Bank Facility	Long Term	19.94	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)

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

Annexure - Details of instruments rated

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

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

Contacts

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About Acuité Ratings & Research

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Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.