



Press Release
Premium Medical And Healthcare Providers Private Limited
November 11, 2024
Rating Downgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	227.00	ACUITE C Downgraded	-
Bank Loan Ratings	102.00	ACUITE D Downgraded	-
Bank Loan Ratings	16.00	-	ACUITE A4 Downgraded
Total Outstanding Quantum (Rs. Cr)	345.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded its long-term rating to 'ACUITE D' (read as ACUITE Df) from 'ACUITE BB' (read as ACUITE Double B) on the Rs. 102.00 Cr. bank facilities of Premium Medical and Health Care Providers Private Limited (PMPL).

Acuite has downgraded its long-term rating to 'ACUITE C' (read as ACUITE Cf) from 'ACUITE BB' (read as ACUITE Double B) on the Rs. 227.00 Cr. bank facilities of Premium Medical and Health Care Providers Private Limited (PMPL).

Acuite has also downgraded the short term rating to 'ACUITE A4' (read as ACUITE A Four) from 'ACUITE A4+' (read ACUITE A Four Plus) on the Rs. 16.00 Cr. bank facilities of Premium Medical and Health Care Providers Private Limited (PMPL).

Rationale for Downgrade

The rating downgrade is on account of delay in servicing of debt obligation by the company in recent past as confirmed by its banker and credit information bureau report.

About the Company

Premium Medical and Health Care Providers Private Limited (PMPL), based out of Coimbatore, Tamil Nadu was incorporated in September, 2013 and commenced commercial operations in September, 2017. The Company runs a multi-specialty hospital under the name "Meitra" located in Calicut, Kerala. The total built up area of the hospital at present is nearly 400,000 sq. ft. with capacity of 270 beds of which it is operating with 220 beds for in-patients. The company is promoted by KEF Healthcare Services Pte Limited, which in-turn is promoted by Dr. Ali Faizal and the promoters of Peekay Group i.e. Mr. K.E Shanavaz, Mr. K.E Moidu and Mr. P.K. Ahammed.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has taken a standalone view of the business and financial risk profile of PMPL to arrive at the rating.

Key Rating Drivers

Strengths

Extensive experience of promoters:

PMPL is promoted by KEF Healthcare Services Pte Limited, and Peekay Group. KEF Healthcare Pte Limited, is

into managing a chain of hospitals and provide consultancy and management services and is a wholly owned subsidiary of KEF Holdings engaged into infrastructure, healthcare and investments across India and UAE. KEF Holdings incorporated in Singapore & headquartered in Dubai specializes in offsite manufacturing technology in industries, including healthcare, education, sports and agriculture led by Mr. Faizal E. Kottikollon, an industrialist who has a diversified experience of more than a decade across various industries. Mr. Faizal Kottikollon founded Emirates Techno Casting in Sharjah back in 1997. In 2012, Emirates Techno Casting was sold to Tyco International for over \$400m. This capital was then used to create KEF Holdings. Dr. Ali Faisal is an experienced cardiologist in North Kerala with special interest in non-coronary and peripheral vascular intervention for more than 20 years. The promoters of Peekay group through its group companies are present across various sectors such as steel, flour mills, real estate, construction, plantations, education, healthcare, charitable institution etc.

Weaknesses

Instance of delays in servicing of debt obligation

There have been an instance of delay in servicing of debt obligation by the company in June, 2024 as confirmed by the banker and reported in credit bureau information report of the company. There have been delays reported in October, 2023 as well in the credit bureau information report.

Rating Sensitivities

- Timely servicing of debt obligations

Liquidity Position

Poor

Liquidity position of the company is poor as there have been instances of delays in servicing of debt obligation.

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	200.37	222.80
PAT	Rs. Cr.	(41.97)	3.53
PAT Margin	(%)	(20.94)	1.59
Total Debt/Tangible Net Worth	Times	5.91	5.54
PBDIT/Interest	Times	0.28	0.18

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

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Group And Parent Support: <https://www.acuite.in/view-rating-criteria-47.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
04 Sep 2023	Bank Guarantee (BLR)	Short Term	2.00	ACUITE A4+ (Reaffirmed)
	Secured Overdraft	Long Term	13.00	ACUITE BB Stable (Downgraded from ACUITE BB+ Negative)
	Term Loan	Long Term	49.50	ACUITE BB Stable (Downgraded from ACUITE BB+ Negative)
	Term Loan	Long Term	157.00	ACUITE BB Stable (Downgraded from ACUITE BB+ Negative)
	Term Loan	Long Term	100.00	ACUITE BB Stable (Downgraded from ACUITE BB+ Negative)
	Secured Overdraft	Long Term	5.00	ACUITE BB Stable (Downgraded from ACUITE BB+ Negative)
	Term Loan	Long Term	15.00	ACUITE BB Stable (Downgraded from ACUITE BB+ Negative)
	Proposed Long Term Bank Facility	Long Term	3.50	ACUITE BB Stable (Downgraded from ACUITE BB+ Negative)
07 Jun 2022	Bank Guarantee (BLR)	Short Term	2.00	ACUITE A4+ (Reaffirmed)
	Secured Overdraft	Long Term	13.00	ACUITE BB+ Negative (Reaffirmed)
	Term Loan	Long Term	49.50	ACUITE BB+ Negative (Reaffirmed)
	Term Loan	Long Term	157.00	ACUITE BB+ Negative (Reaffirmed)
	Term Loan	Long Term	100.00	ACUITE BB+ Negative (Reaffirmed)
	Secured Overdraft	Long Term	5.00	ACUITE BB+ Negative (Reaffirmed)
	Term Loan	Long Term	15.00	ACUITE BB+ Negative (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	3.50	ACUITE BB+ Negative (Reaffirmed)
02 Sep 2021	Letter of Credit	Short Term	5.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	20.00	ACUITE A4+ (Reaffirmed)
	Term Loan	Long Term	310.00	ACUITE BB+ Negative (Reaffirmed)
	Secured Overdraft	Long Term	10.00	ACUITE BB+ Negative (Reaffirmed)
04 Aug 2021	Letter of Credit	Short Term	5.00	ACUITE A4+ (Downgraded from ACUITE A3)
	Bank Guarantee (BLR)	Short Term	20.00	ACUITE A4+ (Downgraded from ACUITE A3)
	Term Loan	Long Term	310.00	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
	Secured Overdraft	Long Term	10.00	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Yes Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	16.00	Simple	ACUITE A4 Downgraded (from ACUITE A4+)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	26.00	Simple	ACUITE C Downgraded (from ACUITE BB)
Yes Bank Ltd	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.00	Simple	ACUITE C Downgraded (from ACUITE BB)
Federal Bank	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE D Downgraded (from ACUITE BB)
Yes Bank Ltd	Not avl. / Not appl.	Term Loan	30 Sep 2020	Not avl. / Not appl.	30 Apr 2033	15.00	Simple	ACUITE C Downgraded (from ACUITE BB)
Yes Bank Ltd	Not avl. / Not appl.	Term Loan	22 Mar 2021	Not avl. / Not appl.	15 Jan 2026	18.00	Simple	ACUITE C Downgraded (from ACUITE BB)
Yes Bank Ltd	Not avl. / Not appl.	Term Loan	27 Apr 2018	Not avl. / Not appl.	30 Apr 2033	157.00	Simple	ACUITE C Downgraded (from ACUITE BB)
Federal Bank	Not avl. / Not appl.	Term Loan	06 Sep 2021	Not avl. / Not appl.	30 Jun 2033	97.00	Simple	ACUITE D Downgraded (from ACUITE BB)

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About Acuité Ratings & Research

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