



## Press Release

### RMC Medical Services Private Limited

January 18, 2024

#### Ratings

Facilities	Amount (INR crore)	Ratings	Rating Action	<u>Complexity Indicator</u>
Long Term Bank Facilities	5.82	IVR BB/ Negative ISSUER NOT COOPERATING* (IVR Double B with Negative Outlook Issuer Not Cooperating)	Revised from IVR BB+/ Stable (IVR Double B plus with stable outlook) and moved to Issuer Not Cooperating category	Simple
Total	5.82 (INR five crore eighty two lakh only)			

*\*Issuer did not cooperate; based on best available information*

#### Details of Facilities are in Annexure 1

#### Detailed Rationale

The revision in rating is because of lack of adequate information regarding RMC Medical Services Private Limited's (RMCMSPL) performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy. The outlook remains negative due to information availability risk. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

#### Non-cooperation by Issuer

Infomerics has been regularly following up with the entity to provide the required data & NDS to monitor its assigned rating to the bank facility, vide mail communications dated 4th Oct 2023, 13th Oct 2023, 25th Oct 2023, 3rd Nov 2023, 15th Nov 2023, 30th Nov 2023, 15th Dec 2023, 1st Jan 2024, 4th Jan 2024, 5th Jan 2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the entity's management has not



## Press Release

submitted surveillance fees and all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long term rating of the bank loan facilities aggregating to INR 5.82 crore of RMC Medical Services Private Limited shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the long term rating will be at IVR BB/ Negative ISSUER NOT COOPERATING based on best available information (IVR Double B with Negative outlook Issuer Not Cooperating based on best available information)

**Analytical Approach & Applicable Criteria:** Standalone

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Rating Methodology for Trading companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria of Rating Outlook](#)

### **About the Company**

Incorporated in 2017, by Dr. K. Madeswaran, and Dr. K. Chockalingam, RMC Medical Services Private Limited is involved in the supply of pharmaceuticals, surgical items, lab consumables etc to its associated entities - RSSH and MCSPL, both of which are multi-care hospitals located in Coimbatore. Both the doctors are also promoters of these hospital entities. In FY22 the company has started leasing out medical equipment to RSSH.

### **Financials (Standalone):**

**(INR Crore)**

<b>For the year ended* / As On</b>	<b>31-03-2021</b>	<b>31-03-2022</b>
	<b>Audited</b>	<b>Audited</b>
Total Income	33.77	48.80
EBITDA	1.28	3.69
PAT	0.90	1.90
Total Debt	0.00	5.95
Tangible Net worth	1.94	3.35
EBITDA Margin (%)	3.78	7.58
PAT Margin (%)	2.67	3.89



## Press Release

Overall Gearing Ratio (x)	0.00	1.78
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\*Classification as per Infomerics' standards.

**Status of non-cooperation with previous CRA:** Nil

**Any other information:** Nil

**Rating History for last three years:**

Sr. No.	Name of Instrument/ Facilities	Current Rating (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (December 19, 2022)	Date(s) & Rating(s) assigned in 2021-22 (January 27, 2022)	Date(s) & Rating(s) assigned in 2020-21
1.	Term Loans	Long Term	5.32	IVR BB/ Negative ISSUER NOT COOPERATING*	IVR BB+/ Stable	IVR BB/ Stable	-
2	Overdraft	Long Term	0.50	IVR BB/ Negative ISSUER NOT COOPERATING*	IVR BB+/ Stable	IVR BB/ Stable	-

\* Issuer did not cooperate; based on best available information

### Name and Contact Details of the Rating Analyst:

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### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit



## Press Release

ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit [www.infomerics.com](http://www.infomerics.com).

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan - 1	-	-	Nov 2026	1.78	IVR BB/ Negative ISSUER NOT COOPERATING*
Term Loan - 2	-	-	Dec 2026	3.54	IVR BB/ Negative ISSUER NOT COOPERATING*
Overdraft	-	-	-	0.50	IVR BB/ Negative ISSUER NOT COOPERATING*

*\*Issuer did not cooperate; based on best available information*

**Annexure 2: Facility wise lender details:** Not Applicable

**Annexure 3: List of companies considered for consolidated analysis:** Not Applicable

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:** Not Applicable



## Press Release

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com)

