

Press Release

Maharaja Agrasen Hospital Charitable Trust

April 09, 2020



Downgraded and Indicative Withdrawal

Total Bank Facilities Rated*	Rs.150.00 Cr.#
Long Term Rating	ACUITE BB+

#Refer Annexure for details

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

Rating Rationale

Acuité has downgraded and withdrawn the long-term rating of '**ACUITE A-**' (**read as ACUITE A minus**) to '**ACUITE BB+**' (**read as ACUITE double B plus**) on the Rs. 150.00 crore bank facilities of Maharaja Agrasen Hospital Charitable Trust (MAHCT). This rating is now an indicative rating and is downgraded on account of information risk.

The rating is being withdrawn on account of request received from the company and NOC from the banker.

The Delhi-based, MAHCT was founded in 1988 by Dr. Sushil Kr. Gupta (President). The trust runs two multispecialty hospitals - a 400-bed hospital established in 1991 at Delhi and an 80-bed hospital at Dwarka established in 2015 under the name 'Maharaja Agrasen Hospital'. Further, the trust is setting up a medical university under the said name at Bahadurgarh (Haryana) comprising a medical college, nursing college and others.

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 due date.

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

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.

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>

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 endeavored 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.

About the Rated Entity- Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)
Operating Income	Rs. Cr.	269.53	264.63
PAT	Rs. Cr.	17.18	5.68
PAT Margin	(%)	6.68	10.40
Total Debt/Tangible Net Worth	Times	0.19	0.20
PBDIT/Interest	Times	21.88	56.56

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

None

Any other information

Not Applicable

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
30-Dec-2017	Term Loan	Long term	100.00	ACUITE A- / Stable (Assigned)
16-Jan-2019	Term Loan	Long term	150.00 (Enhanced from Rs. 100.00 Cr.)	ACUITE A- / Stable (Reaffirmed)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loan	Not Applicable	Not Applicable	Not Applicable	150.00	ACUITE BB+ (Downgraded from ACUITE A- /Stable) Withdrawn & Issuer not co-operating*

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

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings 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 6,000 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.

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