

September 29, 2022

Maha Durga Charitable Trust: Moved to Non-Cooperating Category

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Fund-Based – Term Loans	60.08	60.08	[ICRA]B+ (Stable) ISSUER NOT COOPERATING*; Rating Moved to the 'Issuer Not Cooperating' Category.
Long Term – Fund-Based – Unallocated Limits	10.92	10.92	[ICRA]B+ (Stable) ISSUER NOT COOPERATING*; Rating Moved to the 'Issuer Not Cooperating' Category.
Total	71.00	71.00	

*Instrument details are provided in Annexure-I

Rationale

The ratings have been moved to the “Issuer Not Cooperating” category because of lack of adequate information regarding Maha Durga Charitable Trust’s (MDCT) performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its “Policy in respect of non-cooperation by a rated entity” available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using these ratings as the ratings may not adequately reflect the credit risk profile of the entity.

As part of its process and in accordance with its rating agreement with MDCT, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity’s management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, a rating view has been taken on the entity based on the best available information

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Rating Methodology for Hospitals Corporate Credit Rating Methodology Policy in respect of non-co-operation by the rated entity
Parent/Group support	Not Applicable
Consolidation/Standalone	The rating is based on standalone financial statements of MDCT.

About the company

MDCT runs a 100-bedded multi super specialty hospital named “MD City Hospital” at North Ex, Model Town, Delhi. Outpatient admissions commenced in September 2018 and Inpatient services commenced in September 2019. Dr. Ashok Makhija is the key trustee promoter of MDCT.

Key financial indicators (audited)

MDCT (Standalone)	FY2020	FY2021
Operating Income (Rs. crore)	3.2	30.8
PAT (Rs. crore)	-9.5	1.8
OPBDITA/OI (%)	2.3%	50.4%
PAT/OI (%)	-301.4%	5.9%
Total Outside Liabilities/Tangible Net Worth (times)	7.6	6.5
Total Debt/OPBDITA (times)	1221.4	5.5
Interest Coverage (times)	0.01	1.5

PAT: Profit after tax; OPBDITA: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs crore

Status of non-cooperation with previous CRA: Brickwork Ratings had moved the rating to BWR C-; Downgraded and issuer not cooperating category on November 29, 2021

Any other information: None

Rating history for past three years

Instrument	Type	Current rating (FY2023)		Chronology of rating history for the past 3 years			
		Amount rated (Rs. crore)	Amount outstanding	Date & rating in FY2023	Date & rating in FY2022	Date & rating in FY2021	Date & rating in FY2020
				Sep 29, 2022	Jun 30, 2021	Jan 25, 2021 Dec 28, 2020	Dec 17, 2019
1 Fund Based Limits – Term Loans	Long-term	60.08	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable)	[ICRA]C+&	[ICRA] D ISSUER NOT COOPERATING. Withdrawn
2 Unallocated	Long-term	10.92	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable)	[ICRA]C+&	-

&= Under Watch with Developing Implications

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long Term – Fund Based Limits – Term Loans	Simple
Long Term – Unallocated Limits	NA

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: www.icra.in

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long Term – Fund Based – TL	FY2017	10.05%	FY2030	60.08	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Long Term – Unallocated	-	NA	-	10.92	[ICRA]B+(Stable); ISSUER NOT COOPERATING

Source: Company

Annexure II: List of entities considered for consolidated analysis: Not Applicable

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