

March 10, 2023

## Sanco Foundation: Ratings withdrawn

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Outstanding
Long Term – Term Loan	290.00	290.00	[ICRA]BB+(Stable); Withdrawn
Long Term – Unallocated	10.00	10.00	[ICRA]BB+(Stable); Withdrawn
<b>Total</b>	<b>300.00</b>	<b>300.00</b>	

\*Instrument details are provided in Annexure-I

### Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of Sanco Foundation at the request of the company and based on the No Objection Certificate received from the banker. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities, Key Financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: Click [here](#)

### Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Policy on withdrawal of credit ratings</a> <a href="#">Rating Methodology for Hospitals</a>
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the trust's standalone financial profile

### About the company

Sanco Foundation has developed 416-bedded (350 operational beds) multi-speciality hospital at Vellore, Tamil Nadu under the brand Naruvi Hospitals at project cost of Rs. 488 crore with a funding mix of Rs. 249 crore from term loans and Rs. 239 crore from the promoter.

### Status of non-cooperation with previous CRA: Not applicable

### Any other information: None

### Rating history for past three years

	Instrument	Current Rating (FY2023)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of Oct 31, 2022 (Rs. crore)	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020	
					March 10, 2023	Nov 28, 2022	Sep 16, 2021	30-Oct-2020	17-Jul-2019
1	Term Loan	Long-term	290.00	290.00	[ICRA]BB+ (Stable); Withdrawn	[ICRA]BB+ (Stable)	[ICRA]BB+ (Stable)	[ICRA]BB- (Stable)	[ICRA]BB- (Stable)
2	Unallocated	Long-term	10.00	-	[ICRA]BB+ (Stable); Withdrawn	[ICRA]BB+ (Stable)	[ICRA]BB+ (Stable)	[ICRA]BB- (Stable)	[ICRA]BB- (Stable)

## Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term fund-based – Term Loan	Simple
Long term unallocated	Not Applicable

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: [Click Here](#)

#### Annexure I: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term Loan 1	FY2022	NA	FY2034	240.00	[ICRA]BB+(Stable); Withdrawn
NA	Term Loan 2	FY2022	NA	FY2030	50.00	[ICRA]BB+(Stable); Withdrawn
NA	Long – Term Unallocated	NA	NA	NA	10.00	[ICRA]BB+(Stable); Withdrawn

**Source:** Company and ICRA Research

#### Annexure II: List of entities considered for consolidated analysis: Not applicable

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