

January 04, 2023

Sikkim Manipal University: Ratings Withdrawn

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term- Fund Based TL	85.00	85.00	[ICRA]BBB+ (Stable); Withdrawn
Long Term- Fund Based WCDL/OD	20.00	20.00	[ICRA]BBB+ (Stable); Withdrawn
Long Term- Non-Fund Based (Sublimit of WCDL)	(20.00)	(20.00)	[ICRA]BBB+ (Stable); Withdrawn
Long Term- Unallocated	15.00	15.00	[ICRA]BBB+ (Stable); Withdrawn
Total	120.00	120.00	

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Sikkim Manipal University** based on the No Objection Certificate from the Banker and in accordance with ICRA's policy on withdrawal of credit ratings. 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Drivers, Liquidity Position, Rating Sensitivities, Key Financial indicators and the related instruments are being withdrawn.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	Corporate Credit Rating Methodology Rating Methodology for Entities in Higher Education Policy on Withdrawal of Credit Ratings
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the standalone financial profile of the company.

About the company

SMU was established in 1995 as a state private university by MEMG in partnership with the State Government of Sikkim (GoS). The university was established as a statutory body through the Sikkim Manipal University of Health, Medical and Technological Sciences Act, 1995, under the State Legislative Act of GoS. The university has two campuses, one each at Majitar and Gangtok. While SMIT operates out of the Majitar campus, SMIMS, Sikkim Manipal College of Nursing (SMCON) and Sikkim Manipal College of Physiotherapy (SMCOPT) operate out of the Gangtok campus. The medical campus runs MBBS and MD courses, as well as courses on physiotherapy, allied health and nursing. The technology campus, meanwhile, offers courses on engineering, management and applied sciences. The total student strength of SMU for AY2020-21 stood at 3,821.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

S.NO	Instrument	Current Rating (FY2023)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding	Date & Rating in	Date & Rating in 2022	Date & Rating in 2021	Date & Rating in 2020	
					Jan 4, 2023	Jan 24, 2022	Dec 4, 2020	June 14, 2019	
1	Fund based - Term loan	Long -Term	85.0	-	[ICRA]BBB+ (Stable); Withdrawn	[ICRA]BBB+(Stable)	[ICRA]BBB+(Stable)	[ICRA]BBB(Stable)	
2	Fund based – WCDL/OD	Long -Term	20.0	-	[ICRA]BBB+ (Stable); Withdrawn	[ICRA]BBB+(Stable)	[ICRA]BBB+(Stable)	-	
3	Non- Fund based	Long -Term	-	-	-	-	[ICRA]BBB+(Stable)	[ICRA]BBB(Stable)	
4	Non- Fund based (Sub limit of WCDL)	Long -Term	(20.0)	-	[ICRA]BBB+ (Stable); Withdrawn	[ICRA]BBB+(Stable)	-	-	
5	Unallocated	Long -Term	15.0	-	[ICRA]BBB+ (Stable); Withdrawn	[ICRA]BBB+(Stable)	[ICRA]BBB+(Stable)	-	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term Fund-based – Term Loan	Simple
Long-term Fund based – WCDL/OD	Simple
Long-term Non-Fund based	Very Simple
Long-term – Unallocated	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, is available on ICRA's website: [Click Here](#)

Annexure-1: 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	July -2021	NA	June -2036	85.00	[ICRA]BBB+ (Stable); Withdrawn
NA	WCDL/OD	NA	NA	NA	20.00	[ICRA]BBB+ (Stable); Withdrawn
NA	Sales Invoice Financing (Sub - Limit of WCDL)	NA	NA	NA	(20.00)	[ICRA]BBB+ (Stable); Withdrawn
NA	Unallocated	NA	NA	NA	15.00	[ICRA]BBB+ (Stable); Withdrawn

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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