

November 25, 2022

## Shantha Trust: Continues to remain under issuer Non-Cooperating category

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based – Term Loan	7.00	7.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Fund-based - Cash Credit	1.00	1.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
<b>Total</b>	<b>8.00</b>	<b>8.00</b>	

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

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

ICRA has retained the rating for the bank facilities of Shantha Trust. in the 'Issuer Not Cooperating' category. The rating is denoted as “[ICRA]D; ISSUER NOT COOPERATING”

ICRA has been trying to seek information from the entity so as to monitor its Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at [www.icra.in](http://www.icra.in).

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities, Key Financial Indicator [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	<a href="#">Policy in respect of non-cooperation by the rated entity</a> <a href="#">Corporate Credit Rating Methodology</a> <a href="#">Policy on Default Recognition</a>
Parent/Group Support	Subsidiary of Shantha Medical Foundation
Consolidation/Standalone	Not Applicable

### About the company

Shantha Trust was registered in November 2011 with four trustees and is promoted by Mr. S. Senthilkumar. The Trust took over the operations of E.S. College of Nursing (“ESCON”/“the College”) from Shantha Medical Foundation (SMF, a group entity), during 2013-14. ESCON started the operations in the year 2008. SMF presently takes care of the operations of ES Hospitals. In the current year 2016-17, the Trust has started the operations of E.S. Arts & Science College (“ESASC”) from the current academic year 2016-17. ESCON presently offers courses in six specializations - Bachelor of Science in Nursing (B.Sc (N)), Diploma in General Nursing and Midwifery (DGNM), Post Basic Bachelor of Science in Nursing (P.B.B.Sc (N)), Diploma in

Medical Laboratory Technology (DMLT), Auxiliary Nursing and mid-wifery (ANM) and Master of Science in Nursing (M. Sc (N)). The College is recognized by Indian Nursing Council (INC) and Tamil Nadu Nurses and Midwives Council (TNC) and is affiliated to The Tamil Nadu Dr. M.G.R. Medical University. ESASC offers five Under-Graduate (UG) courses namely Bachelor of Science in Maths, Bachelor of Science in Computer Science, Bachelor of Science in Physics, Bachelor of Arts in English and Bachelor of Commerce. The sanctioned strength for each course is 50 students.

### 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 (Rs. Crore)	Date & Rating in	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020
					November 25,2022	October 28,2021	August 21, 2020	May 23,2019
1	Fund Based Term Loan	Long Term	7.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
2	Fund Based Cash Credit	Long Term	1.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING

### Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple

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	-	-	-	7.00	[ICRA]D;ISSUER NOT COOPERATING
NA	Cash Credit	-	-	-	1.00	[ICRA]D;ISSUER NOT COOPERATING

Source : *Shantha Trust*

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

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