Rating Rationale

31 August 2026

Santokba Durlabhji Trust

Brickwork Ratings withdraws the existing rating and assigns a long-term rating to the Bank Loan Facilities of Rs 48.28 crore of Santokba Durlabhji Trust.

Particulars:

Facilities**	Amount (Rs. Crs)		Tenure	Rating#		Regulator
	Previous	Present		Previous (10 Apr 2026)	Present	
Fund Based						
Term Loan- Outstanding	23.29	**0.00**	Long Term	BWR BB/ Stable Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	**Withdrawal**	**RBI**
Loans against Property -Sanctioned	15.11	**00.00**				
Overdraft -Sanctioned	21.70	**0.00**				
Term Loan- I-Outstanding	0.00	**7.15**		-	**BWR A-/Stable Assignment**	**RBI**
Term Loan- II-Outstanding	0.00	**41.13**		-	**BWR A-/Stable Assignment**	**RBI**
Total	60.10	**48.28**	**(Rupees Forty-Eight Crore Twenty-Eight Lakh Only)**			

Note:

1. Please refer to BWR website **www.brickworkratings.com** for the definition of the ratings
2. Refer to Annexures I, II, and III for details of rated bank loan facilities, debt instruments, and the List of Entities Consolidated

RATING ACTION / OUTLOOK

Brickwork Ratings withdraws and assigns the long-term rating of BWR A-/Stable for the Bank Loan Facilities of Rs. 48.28 Crs. of Santokba Durlabhji Trust.

The assigned rating factors in the Trust's strong operational profile, supported by Santokba Durlabhji Memorial Hospital (SDMH), a 525-bed tertiary-care hospital with modern medical facilities and a wide range of specialised departments. The hospital benefits from an established presence, strong patient footfall, experienced medical professionals and recent expansion of specialised facilities, including the Oncology Centre. The Trust's educational activities, including medical and nursing courses, further diversify its operations and support revenue visibility. The rating is further supported by the Trust's strong financial profile, characterised by a healthy corpus/net worth, low leverage and strong debt protection metrics. Operating surplus and profitability have remained healthy, while the Trust continues to generate adequate cash accruals to meet its debt servicing obligations.

However, the rating is constrained by the Trust's moderate scale of operations, geographical concentration and regulatory exposure. The Trust's operations are concentrated in Jaipur, Rajasthan, and the hospital remains exposed to competition for specialised doctors and other medical professionals. The Trust is also subject to extensive regulatory requirements relating to healthcare operations, medical education, accreditation and fee structures. Further, a significant portion of hospital revenues is generated from patients covered under government schemes, exposing the Trust to potential delays in reimbursement. The charitable nature of the Trust also results in subsidised treatment charges, which limits the scope for margin expansion.

The rating outlook has been assigned as "Stable" as BWR believes that Santokba Durlabhji Trust's business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenue and profitability margins show sustained improvement. The rating outlook may be revised to 'Negative' if the financial risk profile deteriorates.

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED

The terms of sanction include standard covenants normally stipulated for such facilities.

KEY RATING DRIVERS

Credit Strengths-:

- **Strong Operational Profile Supported by Established Tertiary Care Hospital:**
  The Trust's operational profile remains strong, supported by the established Santokba Durlabhji Memorial Hospital (SDMH), a 525-bed tertiary care hospital with modern medical infrastructure and a wide range of specialised departments and advanced diagnostic and treatment facilities. The hospital provides multidisciplinary healthcare services, including specialised and critical care, and has an established presence in Rajasthan. The Trust also benefits from the hospital's strong patient footfall and established reputation, supporting stable revenue generation. In addition, the hospital provides clinical exposure and training opportunities to medical students, further strengthening the Trust's institutional profile. The Trust's long operating track record, established healthcare infrastructure and diversified medical services provide strong operational stability and revenue visibility.

- **Experienced Management with a Long Track Record of SDMH:**
  The Trust is supported by an experienced management team with a long-standing track record in the healthcare sector. The key trustees, including Mr. Yogendra Durlabhji, Mrs. Nirmala Durlabhji and Mr. Mehul Durlabhji, have extensive experience of 54 years, 40 years and 58 years, respectively. Their long association with the Trust provides strong institutional knowledge, continuity and stability in its operations. The management is supported by experienced medical professionals and specialised teams overseeing the hospital's clinical, administrative and day-to-day operations. The presence of qualified doctors, medical and administrative personnel, along with established healthcare infrastructure, supports the Trust's ability to efficiently manage Santokba Durlabhji Memorial Hospital (SDMH) and maintain its established position in the healthcare sector.

- **Comfortable financial risk profile:**
  The Trust's financial risk profile remains comfortable, supported by a strong corpus and low dependence on debt. Total Debt/Corpus stood at 0.29x in FY25 and improved to 0.25x in FY26 (Prov.), while TOL/Corpus remained comfortable at 0.63x and 0.43x, respectively. The Trust's operating surplus margin improved from 13.61% to 14.23%, while the current ratio strengthened from 1.67x to 1.74x. Debt protection remains adequate, with ISCR at 19.90x and 10.56x and DSCR at 10.61x and 5.11x in FY25 and FY26 (Prov.), respectively. Overall, the Trust has a strong financial

position with comfortable liquidity and debt servicing capacity.

Credit Risks-:

- **Moderate Scale of Operations:**
  The Trust's scale of operations remains moderate, with TOI of Rs. 357.69 crore in FY26 (Prov.), compared with Rs. 345.72 crore in FY25. The Trust is expected to benefit from increasing hospital activity and steady growth in healthcare services, which should support gradual improvement in revenue over the medium term. Nevertheless, the overall scale remains moderate compared with larger healthcare institutions.
- **Exposed to Regulatory Risks:**
  The Trust operates in a highly regulated healthcare sector and is required to comply with various statutory and regulatory requirements. Medical education fees and admission norms are governed by the respective authorities, limiting the Trust's flexibility in pricing. The Trust is also required to adhere to prescribed norms governing medical education and healthcare operations. The Trust has adequate systems in place to monitor regulatory compliance and renews the requisite licences, registrations and statutory approvals within the stipulated timelines. Management has confirmed that there have been no material delays or lapses in the renewal of regulatory approvals, and regulatory compliances are being monitored on an ongoing basis.
- **Intense Competition in the Healthcare Sector:**
  The Trust faces intense competition from established private and government hospitals in Rajasthan, particularly in tertiary and specialised healthcare services. Competition is driven by the availability of advanced medical facilities, experienced doctors, treatment quality and pricing. The presence of several reputed hospitals in Jaipur could exert pressure on patient footfall, occupancy levels and pricing flexibility. However, SDMH's established reputation, long operating track record and diversified range of specialised healthcare services provide some mitigation against competitive pressures.

ANALYTICAL APPROACH AND APPLICABLE RATING CRITERIA
BWR has considered the standalone performance of Santokba Durlabhji Trust. BWR has applied its rating methodology as detailed in the Rating Criteria (hyperlinks provided at the end of this rationale).

RATING SENSITIVITIES
Going forward, the trust's ability to improve its revenue profile and strengthen its financial risk profile will remain the key rating sensitivities.

Positive:

- Improvement in sales by 15%, accompanied by an improvement in profitability margins.
- Strengthening of the trust's corpus, leading to an improvement in the gearing ratio.
- The trust's debt protection metrics, i.e., ISCR above 5x and DSCR around 4x level

Negative:

- A decline in sales by 15% from the present level, leading to a reduction in the operating Surplus below 5%.
- A significant deterioration in the trust's debt protection metrics, TOL/TNW above 2x.
- Debt protection metrics: ISCR and DSCR below 2x

LIQUIDITY INDICATORS – Strong

The Trust maintains a strong liquidity profile, supported by healthy cash generation and adequate short-term liquidity. Cash and cash equivalents stood at Rs. 21.28 crore in FY26 (Prov.), while the current ratio improved to 1.74x from 1.67x in FY25. Net cash accruals stood at Rs. 53.37 crore in FY26 (Prov.) and are expected to improve to around Rs. 60.83 crore in FY27, against scheduled debt repayment of around Rs. 11.13 crore in FY27, providing adequate headroom for debt servicing.

The Trust maintains a comfortable financial risk profile, with its corpus increasing from Rs. 181.99 crore in FY25 to Rs. 210.78 crore in FY26 (Prov.), while Total Debt/Corpus improved from 0.29x to 0.25x. Debt protection metrics remained comfortable, with ISCR at 10.56x and DSCR at 5.12x in FY26 (Prov.), supported by low leverage and healthy cash accruals.

COMPANY's PROFILE

Macro Economic Indicator	Sector	Industry	Basic Industry
Healthcare	**Healthcare**	**Healthcare Services**	**Healthcare Service Provider**

Santokba Durlabhji Memorial Hospital (SDMH), established in 1971, is a 525-bed private, trust-managed, autonomous, not-for-profit tertiary care hospital. The hospital offers comprehensive multidisciplinary healthcare services through advanced operation theatres, ICUs, laboratories, and specialized departments. SDMH is also recognized for its state-of-the-art blood bank, catering to patients across Rajasthan and neighboring states, while remaining committed to delivering quality, affordable, and patient-centric healthcare.

ESG Profile

The Hospital demonstrates an adequate ESG profile based on its environmental, social, and governance practices. For educational institutions, governance is a key factor influencing the overall ESG assessment.

Environmental: The Hospital has entered into an agreement for the disposal of Bio-Medical Waste with a Society duly authorized and specified by the Pollution Control Board. As per the guidelines and directions of the Pollution Control Board, the bio-medical waste generated at CHPL premises is properly segregated at source using color-coded dustbins. The segregated waste is then collected in corresponding color-coded bags and handed over to the authorized agency for safe transportation and disposal in accordance with the prescribed environmental norms.

Social: Ensuring the safety and well-being of patients, staff, and the community is paramount in healthcare waste management. By prioritizing proper handling procedures, facilities can significantly reduce the risk of spreading infections and diseases. To achieve this, it is essential to conduct regular training and awareness programs for healthcare staff that focus on effective waste segregation and disposal. Furthermore, safeguarding the broader community requires strict protocols to prevent public exposure to hazardous materials, while occupational safety must be strictly maintained by mandating the use of Personal Protective Equipment (PPE), such as gloves and masks, for all waste handlers.

Governance: The Trust is closely held and promoter-managed, with experienced promoters providing strategic direction and oversight. The capital structure remains disciplined, supported by interest-free promoter funding. The Trust maintains financial transparency through regular financial reporting and compliance practices. Going forward, strengthening independent oversight, formalising governance processes, and maintaining robust internal controls will remain key focus areas.

KEY FINANCIAL INDICATORS

Key Financial Indicators	Units	FY 23 - 24 (Audited)	FY 24 - 25 (Audited)	FY 25 - 26 (Provisional)
Operating Revenue	Rs.Crs	308.11	345.72	357.69
OSBDIT	Rs.Crs	32.72	47.06	50.92
Corpus	Rs. Crs	148.00	181.99	210.35
Total Debt/Corpus	Times	0.07	0.29	0.25
Current Ratio	Times	1.48	1.67	1.74

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY IF ANY

NA

ANY OTHER INFORMATION

NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS

Facilities	Current Rating (2026)			2026		2025		2024	
Type	**Tenure**	**Amount (Rs.Crs.)**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**
Fund Based	LT	48.28	BWR A-/ Stable Assignment	10Apr2026	BWR BB/ Stable (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	07Apr2025	BWR BB Stable (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)	05Apr2024	BWR BB+ Stable (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)
Grand Total		**48.28**	**(Rupees Forty-Eight Crore Twenty-Eight Lakh Only)**						

Hyperlink/Reference to applicable Criteria

- General Criteria
- Approach to financial ratios
- Service Sector Company
- BWR Withdrawal Policy

Analytical Contacts	
Manu C V **Ratings Analyst** **cv.manu@brickworkratings.com**	**Sabitha M Nayak** **Associate Director - Ratings** **sabitha.nayak@brickworkratings.com**
Client Support | clientsupport@brickworkratings.com	

Santokba Durlabhji Trust

ANNEXURE I

Details of Bank Loan Facilities rated by BWR

Sl.No	Name of the Bank	Facilities Names		Long Term (Rs.Crs.)	Short Term (Rs.Crs.)	Total (In Rs.Crs)	Complexity Level
1	Au Small Finance Bank	Fund Based	Term Loan- I - Outstanding	7.15	-	7.15	Simple##
			Term Loan- II - Outstanding	41.13	-	41.13	Simple##

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com / download / ComplexityLevels.pdf. Investors' queries can be sent to info@brickworkratings.com

ANNEXURE II

INSTRUMENT DETAILS

Instrument	Issue Date	Amount [Rs.Crs.]	Coupon Rate	Maturity Date	ISIN Particulars	Complexity of the instrument
NA	NA	NA	NA	NA	NA	NA

ANNEXURE III

List of entities consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
NA	NA	NA	NA

Annexure IV : List of instruments and names of regulators of the instruments

A.	Rating activities	
Sr. No.	Instrument / activity Name	Regulator of the instruments
1	Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* $	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)*	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs,HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts $	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
22	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
23	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.
~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Brickwork Ratings India Private Limited shall separately capture the rated quantum details along with names of respective regulators.
^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.
# There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during the regulatory regime prior to the introduction of the SEBI CRA Circular dated Feb 10, 2026, and the investor side regulators have accordingly been included.
$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.
Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

B	Other Activities	Regulator of the Instruments
1	Monitoring Agencies	SEBI
2	Research activities incidental to rating such as research for Economy, Industries and Companies *	NA

*permitted by SEBI vide SEBI Master Circular for CRAs

Grievance Management: For any grievances relating to rating of instruments regulated by SEBI, please contact **sebigrievance@brickworkratings.com**. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available
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Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009 and its corporate office in Bengaluru. It has a country-wide presence with representatives in 150+ locations. Canara Bank is Brickwork's strategic partner.

Brickwork offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

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