

Tree House Education & Accessories Limited

March 22, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	102.80	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated October 20, 2020, placed the rating(s) of Tree House Education & Accessories Limited (THEAL) under the 'issuer non-cooperating' category as Tree House Education & Accessories Limited had failed to provide information for monitoring of the rating. Tree House Education & Accessories Limited continues to be non-cooperative despite repeated requests for submission of information through e-mails dated December 08, 2023, November 28, 2023, November 18, 2023. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Analytical approach: Standalone

Detailed description of the key rating drivers

At the time of last rating on January 02, 2023 the following were the rating strengths and weaknesses.

Key rating weaknesses Delay in debt-servicing obligations

The ratings of Tree house Education & Accessories Ltd continue to reflect delays in servicing of debt obligations by the company. Further, the company has not submitted No default statement.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Policy in respect of non-cooperation by issuers](#)

[Rating Outlook and Rating Watch](#)

[Education](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

About the company and industry

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Consumer Services	Other Consumer Services	Education

Tree House Education & Accessories Ltd incorporated on July 10, 2006 as a private limited company by Mr. Rajesh Bhatia and his wife Ms. Geeta Bhatia, is primarily engaged in pre-school education across various locations in India. As on date there are 524 pre-school centers across the country. THEAL also operates in K12 segment with 24 schools under its management.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	5.63	9.75
PBILDT	-1.15	0.65
PAT	-27.20	-44.66
Overall gearing (times)	0.08	0.00
Interest coverage (times)	-0.18	0.10

A: Audited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Bank Overdraft		-	-	-	12.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	NA	87.80	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Working Capital Demand loan		-	-	-	3.00	CARE D; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Term Loan	LT	87.80	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (02-Jan-23)	1)CARE D; ISSUER NOT COOPERATING* (11-Oct-21)	1)CARE D; ISSUER NOT COOPERATING* (20-Oct-20)
2	Fund-based - LT-Bank Overdraft	LT	12.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (02-Jan-23)	1)CARE D; ISSUER NOT COOPERATING* (11-Oct-21)	1)CARE D; ISSUER NOT COOPERATING* (20-Oct-20)
3	Fund-based - LT-Working Capital Demand loan	LT	3.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (02-Jan-23)	1)CARE D; ISSUER NOT COOPERATING* (11-Oct-21)	1)CARE D; ISSUER NOT COOPERATING* (20-Oct-20)

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

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not available**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Bank Overdraft	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - LT-Working Capital Demand loan	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

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About us:

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