

Rayat & Bahra Group of Institutes

July 03, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	76.47	CARE D	Rating removed from ISSUER NOT COOPERATING category and Reaffirmed
Short Term Bank Facilities	1.00	CARE D	Rating removed from ISSUER NOT COOPERATING category and Reaffirmed

Details of instruments/facilities in Annexure-1.

The ratings previously assigned to the bank facilities of Rayat & Bahra Group of Institutes were denoted as CARE D/CARE D; ISSUER NOT COOPERATING; Since, the company did not provide the requisite information for monitoring the ratings. Further, in line with the extant SEBI guidelines, CARE Ratings Ltd. had reviewed the ratings on the basis of the best available information. However, the company has now submitted the requisite information to monitor the ratings and CARE Ratings Ltd. has carried out a full review of the ratings and the ratings stands at 'CARE D/ CARE D'.

Rationale and key rating drivers

The rating assigned to the bank facility of Rayat & Bahra Group of Institutes (RBGI) factors in the ongoing delays in the servicing of its debt obligations.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Timely track record of debt servicing by company for more than 3 months.
- Sustainable improvement in operations of the company.

Analytical approach: Standalone

Outlook: Not Applicable

Detailed description of the key rating drivers:

Key strengths

Key weaknesses

Ongoing delays in servicing of debt obligation: According to the verbal feedback received from the banker, there are ongoing delays in the servicing of the debt obligation and the account is currently being classified as SMA-2 category (with overdue of 61-90 days).

Liquidity: Poor

The liquidity of the company is poor, leading to the delays in debt servicing.

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Education](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

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

Industry classification

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

Rayat & Bahra Group of Institutes (RBGI), an educational & charitable society was established in 2003. Currently, RBGI is running two campuses having twelve colleges located in Mohali and Hoshiarpur, Punjab. Apart from the above, the society is also running two K-12 schools, one each under the Mohali and Hoshiarpur campus. The Society was established with an objective to provide education in the field of engineering and technology, management, and pharmacy. The different courses offered are duly approved by AICTE (All India Council of Technical Education), PTU (Punjab Technical University) - Jalandhar, SCERT (State Council of Educational Research and Training) - Punjab, PU (Punjab University) - Chandigarh and PSBTE (Punjab State Board of Technical Education) - Chandigarh.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (UA)
Total operating income	55.76	62.53	83.91
PBILDT	19.58	13.33	31.85
PAT	4.73	38.20	18.00
Overall gearing (times)	0.56	0.44	0.35
Interest coverage (times)	1.77	1.35	3.32

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

Status of non-cooperation with previous CRA: ICRA has continued the rating assigned to the bank facilities of RBGI into 'Issuer not-cooperating' category vide press release dated April 26, 2023, on account of non-availability of requisite information from the trust.

Any other information: Not Available

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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	March 2024	40.47	CARE D
Fund-based - LT-Working Capital Limits	-	-	-	-	36.00	CARE D
Non-fund-based - ST-Bank Guarantee	-	-	-	-	1.00	CARE D

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 2024-2025	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
1	Fund-based - LT-Working Capital Limits	LT	36.00	CARE D	1)CARE D; ISSUER NOT COOPERATING* (01-Apr-24)	1)CARE D (07-Apr-23)	-	1)CARE D (30-Mar-22)
2	Fund-based - LT-Term Loan	LT	40.47	CARE D	1)CARE D; ISSUER NOT COOPERATING* (01-Apr-24)	1)CARE D (07-Apr-23)	-	1)CARE D (30-Mar-22)
3	Non-fund-based - ST-Bank Guarantee	ST	1.00	CARE D	1)CARE D; ISSUER NOT COOPERATING* (01-Apr-24)	1)CARE D (07-Apr-23)	-	1)CARE D (30-Mar-22)

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

LT: Long term; ST: Short term

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

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT-Working Capital Limits	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Lender details

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

Annexure-6: List of all the entities consolidated: Not Applicable

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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