

Pacific Academy of Higher Education & Research Society

September 21, 2020

Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings ¹	Rating Action
Long-term Bank Facilities	43.09	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Issuer not cooperating; Based on best available information
Short -Term Bank Facilities	6.20	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Issuer not cooperating; Based on best available information
Total	49.29 (Rs Forty-Nine Crore and Twenty-Nine Lakh only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated August 08, 2019, placed the ratings of Pacific Academy of Higher Education and Research Society (PAHER) under the 'Issuer not-cooperating' category as PAHER had failed to provide information for monitoring of the rating for the rating exercise as agreed to in its Rating Agreement. PAHER continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and an email dated September 07, 2020. In line with the extant SEBI guidelines, CARE has reviewed the ratings on the basis of the best available information which however, in CARE'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.

The ratings take into account on-going delays in servicing of debt obligation.

CARE also takes cognizance of the society availing the moratorium granted by two of its lenders as a Covid relief measure (as permitted by the Reserve Bank of India) for the period from March 2020 to August 2020 on its term loan and overdraft limit facilities.

Detailed description of the key rating drivers

At the time of last rating on August 08, 2019, the following were the rating strengths and weaknesses:

Key rating weaknesses

Irregularity in debt servicing

The bankers of PAHER have confirmed that there are on-going delays in servicing of debt obligations by the society.

Analytical approach: Standalone

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Criteria on assigning 'outlook' and 'credit watch' to credit ratings](#)

[CARE's Policy on Default Recognition](#)

[Criteria for Short Term Instrument](#)

[Rating Methodology- Education Sector](#)

[Financial ratios – Non-Financial Sector](#)

[Liquidity Analysis of Non-Financial Sector Entities](#)

Background of the Society

Udaipur-based (Rajasthan) PAHER was formed as Pacific Education Society in October 1995 with an objective to set up educational institutions. In March 2007, its name was changed to the current form. PAHER was founded by Mr B.R. Agarwal who is the founder Chairman of Pacific Group (PG). The other society members are Mrs Leela Devi Agarwal, Mr Rahul

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications

*Issuer did not cooperate; Based on best available information

Agarwal and Mr Ashish Agarwal. Presently, PAHER offers courses in varied fields including pharmacy, dental, engineering, management, education, media and mass communication, information technology, hospitality and fashion technology.

Brief Financials (Rs. crore)	FY16 (A)	FY17 (A)
Total operating income	91.28	92.56
PBILDT	39.01	35.15
PAT	21.83	42.94
Overall gearing (times)	0.44	0.29
Interest coverage (times)	5.38	5.41

A:Audited

Status of non-cooperation with previous CRA: None

Any other information: Not applicable

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

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Term Loan-Long Term	-	-	January, 2021	6.33	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Bank Overdraft	-	-	-	8.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	February, 2019	7.38	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	June, 2021	9.06	CARE D; ISSUER NOT COOPERATING*
Fund-based - ST-Working Capital Demand loan	-	-	-	1.20	CARE D; ISSUER NOT COOPERATING*
Fund-based - ST-Bank Overdraft	-	-	-	5.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Mortgage Loan facility/ Asset backed financing	-	-	April, 2025	12.32	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Term Loan-Long Term	LT	6.33	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Aug-19)	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (20-Mar-18)
2.	Fund-based - LT-Bank Overdraft	LT	8.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Aug-19)	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (20-Mar-18)
3.	Fund-based - LT-Term Loan	LT	7.38	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Aug-19)	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (20-Mar-18)
4.	Fund-based - LT-Term Loan	LT	9.06	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Aug-19)	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (20-Mar-18)
5.	Fund-based - ST-Working Capital Demand loan	ST	1.20	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Aug-19)	-	1)CARE A4+; ISSUER NOT COOPERATING* (20-Mar-18)
6.	Fund-based - ST-Bank Overdraft	ST	5.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Aug-19)	-	1)CARE A4+; ISSUER NOT COOPERATING* (20-Mar-18)
7.	Fund-based - LT-Mortgage Loan facility/ Asset backed financing	LT	12.32	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Aug-19)	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (20-Mar-18)

*Issuer did not cooperate; Based on best available information

Annexure 3: Complexity level of various instruments rated for this Trust

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Bank Overdraft	Simple
2.	Fund-based - LT-Mortgage Loan facility/ Asset backed financing	Simple
3.	Fund-based - LT-Term Loan	Simple
4.	Fund-based - ST-Bank Overdraft	Simple
5.	Fund-based - ST-Working Capital Demand loan	Simple
6.	Term Loan-Long Term	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Contact us

Media Contact

Mradul Mishra

Contact no.: +91-22-6837 4424

Email ID: mradul.mishra@careratings.com

Analyst Contact

Name: Harsh Raj Sankhla

Contact no.: +91-141-4020213/14

Email ID: harshraj.sankhla@careratings.com

Relationship Contact

Name: Nikhil Soni

Contact no.: +91-141-4020213/14

Email ID: nikhil.soni@careratings.com

About CARE Ratings:

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