

Patna Sahib Charitable Educational Trust

March 29, 2019

Ratings

Facilities	Amount (Rs. crore)	Ratings ¹	Rating Action
Long-term Bank Facilities	21.75	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Issuer not cooperating; on the basis of best available information
Total Facilities	21.75 (Rs. Twenty one crores and seventy five lakhs only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has been seeking information from Patna Sahib Charitable Educational Trust (PSCET) to monitor the ratings vide e-mail communications/letters dated March 15, 2019; March 05, 2019; March 04, 2019; and February 13, 2019 and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The rating on Patna Sahib Charitable Educational Trust's bank facilities will now be denoted as **CARE D; ISSUER NOT COOPERATING***.

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

The ratings take into account the ongoing delays in the servicing of the debt obligations.

Detailed description of the key rating drivers

At the time of last rating on April 16, 2018 the following were the rating strengths and weaknesses

Key rating weaknesses

Ongoing delays in the servicing of the debt obligations: There are ongoing delays in the servicing of the repayment obligation of the term loans due to the stressed liquidity position of the trust.

Analytical Approach: Stand Alone

Applicable Criteria

[CARE's policy on default recognition](#)

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

[CARE's methodology for education sector](#)

Trust Background

Established in December-2010 under the Societies Registration Act XXI 1860, PSCET is engaged in the imparting of higher education. It is operating from a single campus in Vaishali, Bihar under the name 'Patna Sahib Group of Colleges'. These include two colleges: Patna Sahib Institute of Engineering and Technology offering bachelors in Engineering and Patna Sahib Polytechnic College offering diploma courses in engineering. The courses are approved by AICTE, New Delhi and are affiliated to Aryabhata Knowledge University, Patna. The college had AY2011-2012 as its first academic session.

Brief Financials (Rs. crore)	FY16 (A)	FY17 (A)
Total operating income	9.39	7.05
SBID	4.89	2.82
Surplus	-1.33	-2.86
Overall gearing (times)	1.87	1.65
Interest coverage (times)	1.61	1.00

A: Audited

²Complete 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

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

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

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.

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****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

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
Fund-based - LT-Term Loan	-	-	March-2024	21.75	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information

**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 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016
1.	Fund-based - LT-Term Loan	LT	21.75	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	1)CARE D (16-Apr-18)	-	-	-

**Issuer did not cooperate; Based on best available information*

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