

Patna Sahib Charitable Educational Trust

June 29, 2020

Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings ¹	Ratings Action
Long-term Bank Facilities	21.75	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Issuer not cooperating; Based on best available information
Total	21.75 (Rupees Twenty One crore and Seventy Five Lakh only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated March 29, 2019, placed the rating of Patna Sahib Charitable Educational Trust (PSCET) under the 'issuer non-cooperating' category as PSCET had failed to provide information for monitoring of the rating. PSCET continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter dated June 15, 2020. 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.

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

Detailed description of the key rating drivers

At the time of last rating on March 29, 2019 the following was the rating weakness:

Key Rating Weakness

Ongoing delays in debt servicing: There are ongoing delays in the servicing of the debt obligations by PSCET. The trust has been classified as Non-Performing Asset (NPA) by the bank.

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)
[CARE's policy on default recognition](#)
[Financial ratios – Non-Financial Sector](#)
[CARE's Methodology-Education sector](#)

About the Company

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

¹Complete definitions of the ratings assigned are available at www.careratings.com and 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

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 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.	Fund-based - LT-Term Loan	LT	21.75	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	-	1) CARE D; ISSUER NOT COOPERATING* (29-Mar-19) 2) CARE D (16-Apr-18)	-

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

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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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

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Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.