

Suresh Angadi Education Foundation

October 29, 2019

Ratings

Facilities	Amount (Rs. crore)	Rating1	Rating Action
Long term Bank Facilities	34.02	CARE D; ISSUER NOT COOPERATING*; (Single D; ISSUER NOT COOPERATING*)	Issuer not Cooperating*
Total	34.02 (Rs. Thirty Four crore and two Lakh only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has been seeking information from Suresh Angadi Education Foundation Trust (SAEF) to monitor the rating(s) vide e-mail communications dated September 30, 2019, October 01, 2019, October 04, 2019, October 09, 2019, October 22, 2019 and numerous phone calls. However, despite our repeated requests, the trust has not provided the requisite information for monitoring the ratings. Also, the trust has not been submitting the NDS. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the publicly available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The rating on Suresh Angadi Education Foundation Trust's bank facilities continues to 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 rating(s).

Detailed description of the key rating drivers

At the time of last rating on July 18, 2018 the following were the rating strengths and weaknesses (updated for the information available from Registrar of Companies).

Key Rating Weaknesses

Delay in debt servicing by the company: The trust had been delaying the repayments on its debt facilities due to cash flow mismatch leading to liquidity issues.

Liquidity: Poor

Poor liquidity marked by tight cash accruals and poor cash balance of Rs. 27, 779.

Analytical approach: standalone

Applicable Criteria

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

[Criteria on assigning Outlook to Credit Ratings](#)

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

About the Company

SAEF was established in the year 2008 by Mr.Suresh Chennabasappa Angadi, sitting MP from Belagavi, Karnataka. The trust was established to set up educational institute in Belagavi. SAEF started Angadi College of Commerce & Science (affiliated with Rani Chennamma University, Belgavi) in 2008 which provides courses like PUC, B.Com, BBA, B.Sc. & BCA. Subsequently in 2009, it started Angadi Institute of Technology and Management (affiliated with Vishveshwarayya Technological University) which provides courses like B.E (Civil, Mechanical, Electrical & Electronics., Computer Science), MBA, M.Tech and other PG courses.

Status of non-cooperation with previous CRA: CRISIL vide its press release dated December 07, 2016 has suspended the Rating of CRISIL D assigned to the bank facilities of Suresh Angadi Education foundation on account of non-cooperation by SAEF to provide adequate information.

Any other information: NA

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

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

*Issuer did not cooperate; Based on best available information

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	-	-	-	34.02	CARE D; Stable; 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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	34.02	CARE D; Stable; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (18-Jul-18)	-	1)CARE D; ISSUER NOT COOPERATING* (31-Mar-17)

*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

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. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

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.

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