

## RATING RATIONALE

09 June 2020

### AKS Charitable Trust

**Brickwork Ratings downgrades the rating for the Bank Loan Facilities ₹ 11.75 crores of AKS Charitable Trust based on best available information, as under the issuer did not cooperate.**

#### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (December,2018)	Present
Fund Based	11.75	11.75	Long Term	BWR BB- (Stable) (Downgraded) Issuer Not Cooperating	BWR B+ (Stable) (Downgraded) Issuer Not Cooperating
Total	11.75	11.75	INR Eleven Crores and Seventy Five Lakhs Only		

# Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

\* Issuer did not cooperate, based on best available information.

#### RATING ACTION/ OUTLOOK/NATURE OF NON-COOPERATION :

Brickwork Ratings downgrades the rating to BWR B+(Stable) Issuer not cooperating from BWR BB-(Stable)/A4 for the Bank Loan Facilities ₹ 11.75 crores of AKS Charitable Trust based on best available information as the client has not provided any paper/information. Therefore we have placed the Mandate under the issuer did not cooperate Category.

BWR had assigned the rating of BWR BB-(Stable) in December,2018 for Bank Loan facility of Rs. 11.75 crs. The rating was due for surveillance in December,2019. The firm was being followed up for surveillance consistently to provide required information over emails and telephonically dated 28th,29th April, 4th , 5th ,11th, 12th , 26th May 2020. Further, BWR also took follow up with the banker for conduct of account over various emails dated 28th,29th April, 4th , 5th , 26th May 2020 for its rating , BWR did not receive response from banker despite followup.Client did not respond for surveillance of the mandate. The company AKS Charitable Trust did not cooperate and did not provide the documents and details for review of rating of the bank loan facilities of Rs.11.75 Crs. In the absence of adequate information from the Company, Brickwork Ratings is unable to assess the Company's financial performance and its ability to service its debt and maintain a valid rating. Hence, on account of inadequate



information and lack of management cooperation , BWR has downgraded the rating to BWR B+(Stable) under the Issuer Not Cooperating category.

### LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non- transparency and withholdings of the information required for a review of the rating.

### COMPANY PROFILE ( Information received as on April,2017)

AKS Charitable trust is an institution and reportedly has a vision of delivering quality education in the field of agriculture science, Engineering, Management & Pharmacy. The university is headquartered in Satna, MP and was incorporated in 2006. In 2008 this educational institution took a bigger shape nearly 3000 students enrolled in 16 disciplines such as computer Science, Pharmacy, Commerce and Management.

### KEY FINANCIAL INDICATORS (in ₹ Cr) ( Information received as on July,2016)

Key Parameters	Units	FY 17	FY 16
Result Type		Prov	Audited
Operating Revenue	₹ Crs	32.04	28.50
EBITDA	₹ Crs	9.45	9.98
PAT	₹ Crs	3.96	4.77
Tangible Net Worth	₹ Crs	21.64	18.61
Total Debt / Tangible Net Worth	Times	1.17	1.27
Current Ratio	Times	2.64	0.95

**NON-COOPERATION WITH PREVIOUS RATING AGENCY :- NA**

**RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]**

Facilities	Current Rating			Rating History						
	Tenure	Amount (₹ Cr)	Rating	2019	2018			2017		
Fund Based	Long Term	11.75	BWR B+ (Stable) (Downgraded) Issuer Not Cooperating	-	Long Term	11.75	BWR BB- (Stable) (Downgraded) Issuer not Cooperating	Long Term	11.75	BWR BB (Stable)
Total		11.75	INR Eleven Crores and Seventy Five Lakhs Only							

\* Issuer did not cooperate. Based on best available information

**COMPLEXITY LEVELS OF THE INSTRUMENTS**

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

**Hyperlink/Reference to applicable Criteria**

- [General Criteria](#)
- [Approach to Financial Ratio](#)
- [What constitutes Non cooperation](#)

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**ANNEXURE I**

**AKS Charitable Trust.  
Details of Bank Facilities rated by BWR**

<b>Sl.No.</b>	<b>Name of the Bank</b>	<b>Facilities</b>	<b>Type</b>	<b>Tenure</b>	<b>Total [₹ Cr]</b>
<b>1.</b>	Allahabad bank, Umari Branch, Satna	Overdraft Term loan	Fund Based	Long Term	1.60 10.15
INR Eleven Crores and Fifteen Lakhs Only					11.75

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