



Rating Rationale

AP Goyal Charitable Trust

26 Aug 2020

Brickwork Ratings has downgraded the rating for the Bank Loan facilities of ₹ 53.81 Crore of AP Goyal Charitable Trust based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is as under:

Particulars

Facility**	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (June 2019)	Present
Fund Based Term Loan OD	48.81 5.00	48.81 5.00	Long Term	Issuer Not Cooperating^ BWR B+	Issuer Not Cooperating^ BWR D Downgrade
Total	53.81	53.81	Rupees Fifty Three Crores & Eighty One Lakhs Only		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

**Details of Bank Facilities are provided in Annexure I

^Issuer did not cooperate; based on best available information

Rating Action: Downgraded, Issuer Non-Cooperation

Nature of Non-co-operation: BWR had last reviewed the ratings of AP Goyal Charitable Trust (APGCT or the trust) in June 2019. The rating was due for renewal in June 2020. Brickwork Ratings had taken up with the issuer to provide required information over email and through telephone calls. Despite the best efforts of Brickwork Ratings to get at least the minimum required information for a review, the trust has not provided the same. Due to the lack of management cooperation and in the absence of adequate information from the issuer, Brickwork Ratings is unable to assess the issuer's financial performance and its ability to service its bank loan obligations and maintain a valid rating. Further, as per the feedback received from the bank, the loan facilities of the trust were in the SMA category at the time of availment of COVID-19 related moratorium in March 2020. Therefore, BWR has downgraded the ratings for the bank loan facilities of the trust as BWR D (Issuer Not Cooperating)

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.



About the Company (Information as available in Feb 2018)

Established on 8th June, 2012 , AP Goyal Shimla University (APGSU) is a Private university run by AP Goyal Charitable trust. The university is established under University Establishment and Regulation Act 2012 (Act No 20 of 2013) of Himachal Pradesh. It is located on the Shoghi-Mehli Bypass Road, Near Pantha Ghati, Shimla (H.P.).

KEY FINANCIAL INDICATORS [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY 17	FY 16
Result Type		Audited	Audited
Receipts	Rs Crore	21.77	19.13
OPBDIT	Rs Crore	8.49	4.63
Surplus	Rs Crore	(5.08)	(8.71)
Corpus Fund	Rs Crore	79.26	70.66
Total Debt/Corpus Fund	Times	0.93	1.05
Current Ratio	Times	2.56	1.57

Rating History for the last three years (including withdrawn/suspended ratings)

(Amounts in Rs. Crs)

Facility/ Instrument	Current Rating				Rating History						
	24 Aug 2020				10 June 2019			23 Feb 2018			2017
Bank Loan Rating	Facility	Type	Amount	Rating	Facility	Amount	Rating	Facility	Amount	Rating	NA
		FB	Long Term	53.81	BWR D (INC*)	FB	53.81	BWR B+/Stable (INC*)	FB	53.81	

*Issuer did not cooperate; based on best available information

Status of non-cooperation with previous CRA (if applicable)- India Ratings (IND D) in ‘Issuer Not Cooperating’ category vide its rationale dated 22 Oct 2019 for AP Goyal Shimla University

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

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ANNEXURE I

Details of Bank Facilities rated by BWR

Sl. No.	Name of the Bank	Type of Facilities	Long Term (₹ Cr)	Short Term (₹ Cr)	Total (₹ Cr)
1	Canara Bank	Term Loan	48.81	-	48.81
2		OD	5.00	-	5.00
Total			53.81	-	53.81

Total Rupees Fifty Three Crores & Eighty One Lakhs only



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