RATING RATIONALE **19 May 2021**

Akbar Educational Trust

Brickwork Ratings downgrades the ratings for the Bank Loan Facilities of ₹12.76 Crores of Akbar Educational Trust based on best available information, as the issuer did not cooperate.

Particulars:

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (May, 2020)	Present
Fund Based **Cash Credit** **Term Loan-** sanctioned **Term Loan-** proposed	 0.90 9.86 2.00	 **0.90** **9.86** **2.00**	**Long Term**	BWR B+ (Downgraded) “ISSUER NOT COOPERATING”*	**BWR B** (Downgraded) **“ISSUER NOT COOPERATING”***
Total	12.76	**12.76**	**INR Twelve Crores and Seventy Six Lakhs Only**		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings
* Issuer did not cooperate, based on best available information
Details of Bank facilities is provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

Downgrades the long term rating at BWR B (Issuer not cooperating) based on best available information as the Issuer did not cooperate.
The initial rating was done on 30th March, 2019 with the rating as BWR BB- (Stable). Then the rating became due for review on 30th March, 2020. Subsequently on 06th May, 2020 the long term rating was downgraded at BWR B+ under the Issuer Not Cooperating category. BWR took up with the issuer/ bank to provide required information over emails. Despite the best efforts of BWR to get the minimum required information for a review, the trust has not provided the same and no feedback was received from the Bank. The trust has also not provided the NDS for more than 12 months. In the absence of adequate information from the trust, BWR is unable to assess the trust’s financial performance and its ability to service its debt and maintain a valid rating.

LIMITATIONS OF THE RATING
Information availability risk is a key factor in the assessment of credit risk as generally, non cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

KEY FINANCIAL INDICATORS (in (₹ Cr) [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY17	FY18
Result Type		**Audited**	**Audited**
Total Operating Income	Crores	4.90	5.70
OPBDIT	Crores	2.70	2.84
PAT	Crores	0.97	0.33
Tangible Net worth	Crores	7.38	7.80
Total Debt/TNW	Times	1.39	1.41
Current Ratio	Times	57.64	2.27

COMPANY PROFILE (as available with BWR)

Akbar Educational Trust ('AET' or 'The Trust') was established on 1st August 2014, in the state of Jammu and Kashmir. The trust runs one school under the name of Doon International School (DIS). DIS Srinagar is a franchisee of Doon International School, Dehradun and both are run by separate trusts. DIS is affiliated with CBSE board and classes from nursery to 12th grade. Due to the geopolitical conditions prevailing in the state, the school operates at an average of 10-15 days per month. In case the courses are incomplete, extra lectures are arranged during winter breaks and telephonic conference calls are set up between a class of students and teachers.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NA

RATING HISTORY FOR THE LAST THREE YEARS (INCLUDING WITHDRAWAL AND SUSPENDED)

Instrument / Facilities	Current Rating (2021)			Rating History		
	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Rating	2020	2019	2018
Fund Based **Cash Credit** **Term Loan-** sanctioned **Term Loan-** proposed	Long Term	0.90 9.86 2.00	**BWR B** (Downgraded) **"Issuer Not Cooperating"** *	**BWR B+** (Downgraded) **"Issuer Not Cooperating"** *	**BWR BB-** (Stable) **[Assigned]**	-
Total	12.76		INR Twelve Crores and Seventy Six Lakhs Only			

***Issuer not cooperating based on best available information**

COMPLEXITY LEVELS OF THE INSTRUMENTS
For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria
[General Criteria]
[Approach to Financial Ratios]
[What constitutes Non-Cooperation]

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ANNEXURE I

Akbar Educational Trust

Details of Bank Facilities rated by BWR

Sl.No.	Type of Facilities	Short Term [₹ Cr]	Long Term [₹ Cr]	Total [₹ Cr]
1.	**Fund Based** Cash Credit Term Loan- sanctioned Term Loan- proposed	-	0.90 9.86 2.00	0.90 9.86 2.00
2.	**Non Fund Based**	-	-	-
TOTAL				**12.76**

Total Rupees Twelve Crores and Seventy Six Lakhs Only

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