



RATING RATIONALE

25 June 2021

Ambience Education Society

Brickwork Ratings has reviewed the rating for the Bank Loan Facilities of Rs 35.11 Crs of Ambience Education society based on best available information, as the issuer did not cooperate.

Particulars

| Facility** | Amount (Rs Cr) | | Tenure | Rating* | |
|--------------|----------------|--------------|--|-----------------------------------|--|
| | Previous | Present | | Previous (19 Aug 2020) | Present |
| Fund based | 35.11 | 35.11 | Long Term | BWR C (ISSUER NOT COOPERATING) | BWR D (ISSUER NOT COOPERATING)# |
| Total | 35.11 | 35.11 | (Rupees Thirty Five Crores and Eleven 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 in Annexure-I

RATING ACTION / NATURE OF NON-COOPERATION

BWR has downgraded the rating to BWR D/Issuer Not Cooperating rating for bank loan facilities of Ambience Education Society, reflecting delays in debt servicing, due to confirmation from lenders that there are continued delays in overall debt servicing. Despite close follow up through emails and telephone calls, the company did not provide any information regarding review of the rating such as audited financials, projections, latest sanction letter, no default statement, operational details, No default statements etc. In the absence of a surveillance mandate and adequate information from the issuer/company, BWR is unable to assess the company's current complete 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 and non-cooperation by the issuer to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit ratings should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.



Key Financial indicators

| Key Parameters | Units | FY 18. | FY 19 |
|-----------------------------------|-----------|---------|---------|
| Result Type | | Audited | Audited |
| Operating Income | Rs in Crs | 12.59 | 12.46 |
| EBITDA | Rs in Crs | 0.9 | -0.2 |
| Net Profit | Rs in Crs | -7.91 | -8.33 |
| Adjusted Corpus Fund [#] | Rs in Crs | -11.45 | -19.63 |
| Total Debt | Rs in Crs | 62.48 | 68.75 |
| Total Debt : Corpus Fund | Times | -5.46 | -3.5 |

After adjusting for unsecured loans from promoters and related parties

About the Company (as available in Sep 2019)

Ambience Education Society (erstwhile Hillgrove Education Society) belongs to the New Delhi based Ambience Group and was started in 1971. It is running and operating a school in the name of Ambience Public School (erstwhile Hillgrove Public School) at Safdarjung Enclave, New Delhi. Ambience Education Society is registered under Section 25 of the Company Act, 1956. Ambience Education School is a senior secondary school and has classes from Nursery to 12th Standard. The School is recognized by the Directorate of Education: Delhi and is affiliated to the Central Board of Secondary Education (C.B.S.E). The school presently has 1367 students.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY - Not applicable

RATING HISTORY for last three years including withdrawal and suspended)

| Facilities | Current Rating (2021) | | | Previous Ratings | | |
|--------------|--------------------------------|-----------------|--|--|-------------------|-------------------------------|
| | Tenure (Long Term/ Short Term) | Amount (Rs Crs) | Rating | 19 Aug 2020 | 12 Sep 2019* | 16 March 2018 |
| Fund Based | Long Term | 35.11 | BWR D (ISSUER NOT COOPERATING) (Downgrade) | BWR C (ISSUER NOT COOPERATING) Reaffirmation | BWR C (Downgrade) | BWR B (Stable) Reaffirmation |
| Total | | 35.11 | Rs Thirty Five Crores and Eleven Lakhs Only | | | |

***Initial Rating of BWR B was assigned on 02 Feb 2015 and was reaffirmed on 23 May 2016. The Rating was moved to Rating Not reviewed on 27 October 2017 and again on 17 June 2019**



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](#)
- [Default Recognition and Post Default Curing Period](#)

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Ambience Education Society -ANNEXURE I -Details of Bank Facilities rated by BWR

| Sl. No. | Name of Lender/Bank | Type of Facilities | Long Term (Rs Cr) | Total (Rs Cr) |
|---------|----------------------|--------------------|-------------------|---------------|
| 1 | Punjab and Sind Bank | Term Loan | 35.11 | 35.11 |
| TOTAL | | | | 35.11 |

(Rupees Thirty Five Crores and Eleven Lakhs Only)



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