



## RATING RATIONALE

08 July 2021

### Ambience Education Society

**Brickwork Ratings has reaffirmed 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of Ambience Education society based on best available information, as the issuer did not cooperate and simultaneously withdrawn the rating**

#### Particulars

Facility**	Amount (Rs Cr)		Tenure	Rating*	
	Previous	Present		Previous (25 June 2021)	Present
Fund based	35.11	35.11	Long Term	BWR D ISSUER NOT COOPERATING#	<b>BWR D ISSUER NOT COOPERATING)# (Reaffirmation) and simultaneously withdrawn</b>
<b>Total</b>	35.11	35.11	<b>(Rupees Thirty Five Crores and Eleven Lakhs Only)</b>		

\*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

\*\* Details of Bank facilities in Annexure-I

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

BWR has reaffirmed the rating of BWR D Issuer Not Cooperating and simultaneously withdrawn rating for bank loan facilities of Ambience Education Society, reflecting delays in debt servicing, due to confirmation from lenders that there are continued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. The withdrawal is as per the withdrawal policy of BWR as the company has submitted requested for withdrawal and submitted No objection certificate (NOC) from it's lender.

#### 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 <sup>#</sup>	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 12<sup>th</sup> 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)						
	Tenure (Long Term/ Short Term)	Amount (Rs Crs)		25 June 2021	19 Aug 2020	12 Sep 2019*	16 March 2018
Fund Based	Long Term	35.11	BWR D (ISSUER NOT COOPERATING) (Reaffirmation) and simultaneously withdrawn	BWR D (ISSUER NOT COOPERATING) (Downgrade)	BWR C (ISSUER NOT COOPERATING) Reaffirmation	BWR C (Downgrade)	BWR B (Stable) Reaffirmation
<b>Total</b>		<b>35.11</b>	<b>Rupees Thirty Five Crores and Eleven Lakhs Only</b>				

**\*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](http://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](#)

Analytical Contacts	
[Karan Ahluwalia] Senior Rating Analyst [Board: +911123412232 ] <a href="mailto:karan.a@brickworkratings.com">karan.a@brickworkratings.com</a>	[Tanu Sharma] [Director – Ratings] Board: +911123412232 <a href="mailto:tanusharma@brickworkratings.com">tanusharma@brickworkratings.com</a> ]
1-860-425-2742	I <a href="mailto:media@brickworkratings.com">media@brickworkratings.com</a>

### 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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