



## RATING RATIONALE

04 Jun 2021

### Arogyam Educational Trust

**Brickwork Ratings revises the ratings of Bank Loan Facilities of Rs. 19.00 Crores of Arogyam Educational Trust based on best available information, as the issuer did not cooperate.**

#### Particulars

Facility**	Amount (Rs. Crs)		Tenure	Rating#	
	Previous	Present		Previous (Mar 2020)	Present
Fund Based	19.00	19.00	Long Term	BWR C ISSUER NOT COOPERATING	BWR C- (Downgraded) ISSUER NOT COOPERATING*
<b>Total</b>	19.00	19.00	<b>Rupees Nineteen Crores 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 the best available information.

\*\* Details of Bank Facilities are provided in Annexure I

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

In view of the non-availability of the information, non-submission of monthly 'No Default Statement' as per regulatory requirements and lack of cooperation from the issuer, Brickwork Ratings has downgraded the long term rating to 'BWR C- ISSUER NOT COOPERATING' for the bank loan facilities amounting to Rs. 19.00 Crs of Arogyam Educational Trust.

The lenders may note to exercise due caution while using the above ratings, which mentions "ISSUER NOT COOPERATING" since the ratings lack any projections of a forward looking component as it is arrived at based on the best available information on the firm without any management/ banker's interaction.

The rating was due for a review in May 2021. BWR took up with the issuer to provide required information over emails (latest dated 27.03.2021, 25.05.2021 and 26.05.2021) and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer, BWR is unable to assess the issuer'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, noncooperation 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 Rs. Crs.) [AS AVAILABLE WITH BWR]**

Key Parameters	Units	FY12
Result Type		Audited
Total Receipts	Rs. Crs.	10.31
Operating Surplus	Rs. Crs.	1.63
Net Surplus	Rs. Crs.	0.77
Tangible Networkth	Rs. Crs.	6.90
Total Debt: Tangible Networkth	Times	0.90
Current Ratio	Times	0.40

**ABOUT THE TRUST [AS AVAILABLE WITH BWR]**

Arogyam Educational Trust was established in February 2012. The trust is situated in Dehradun, Uttarakhand. The trust has 8 trustee and is managed by 2 managing trustees, namely, Mr. Sanjay Agarwal, Mr. Arvind Gupta. The management trustees Mr. Sanjay Agarwal and Mr. Arvind Gupta have established education institutions in Dehradun. The trust is proposing to start a Medical College, named as Arogyam Medical College & Hospital.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY:** None

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

Facilities	Current Rating (2021)			Rating History		
	Tenure	Amount (Rs. Crs.)	Rating	21.05.2020	2019	2018
Fund Based	Long Term	19.00	<b>BWR C- (Downgraded) ISSUER NOT COOPERATING</b>	<b>BWR C ISSUER NOT COOPERATING</b>	-	-
Total		19.00	<b>Rupees Nineteen Crores Only</b>			

*Note: The Trust was initially rated in April 2014 with a long term rating of BWR B+/Stable. The rating was moved to Not Reviewed Advisory on 30Dec2016*

**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](#)



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### Arogyam Educational Trust

#### ANNEXURE I Details of Bank Facilities rated by BWR

Type of Facilities	Long Term (Rs. Crs.)	Short Term (Rs. Crs.)	Total (Rs. Crs.)
Term Loan	19.00	-	19.00
<b>Total</b>			<b>19.00</b>

**Rupees Nineteen Crores Only**

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