

RATING RATIONALE

26 Nov 2019

Aryabhata Academic Society

Brickwork Ratings Reaffirms the ratings for the Bank Loan Facilities ₹5.16 Crores of Aryabhata Academic Society based on best available information, as the Issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Feb, 2016)	Present
Fund based Overdraft Term loan	2.00 3.16	2.00 3.16	Long Term	BWR BB Stable (Upgraded)	BWR BB Stable (Reaffirmed) Issuer Not Cooperating*
Total	5.16	5.16	INR Five Crores and Sixteen 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

BWR Reaffirms the Long Term rating as BWR BB/Stable assigned to Aryabhata Academic Society Under the category of “ISSUER NOT COOPERATING” based on best available information as the Issuer did not cooperate.

The initial rating was done on 23rd June 2014 with rating assigned as BWR BB- with Stable outlook. Then the rating was upgraded to BWR BB with a stable outlook on 3rd Feb 2016. The rating then moved to Rating Not Reviewed on 19th June 2017. In September, 2019, BWR took up with the issuer to provide required information over emails and telephone calls. Despite the best efforts of BWR to get the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the firm, BWR is unable to assess the firm’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 ₹ Cr) [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY14	FY15
Result Type		Audited	Audited
Surplus after Tax	Crores	1.40	1.93
Tangible Net Worth	Crores	8.07	10.69
Total Debt/TNW	Times	0.90	0.73
Current ratio	Times	13.16	1.44

COMPANY PROFILE (as available with BWR in 2015)

Aryabhata Academic Society (AAS) formed under the Rajasthan Society Registration Act, 2002 has its registered office is situated in Ajmer, Rajasthan. At present, the society is running 3 educational institutions in the name of Aryabhata Group of Colleges. All the institutions are located on 2 campuses in Ajmer, Rajasthan. AAS came up with its first two institution: Aryabhata College of Technical Education (ACTE offers BCA, BBA , B.Sc in Biotech and IT, M.Sc in IT, CS & Biotech, Diploma-Polytechnic and PGDCA) and Aryabhata College of Management (ACM offers MBA) on one campus near Ajmer HO in Ajmer in the year 2009. The society established Aryabhata College of Engineering and Research Centre (ACERC) on another campus near Agrasen Circle, Ajmer in the year 2010 which offers B.Tech courses in 6 streams namely Electronics & Communications, Mechanical, Computer Science, Electrical and Electronics, Electrical and Civil. Both ACM & ACERC are affiliated to Rajasthan Technical University, Kota and approved by AICTE.

NON-COOPERATION WITH PREVIOUS RATING AGENCY (if any): CRISIL BB+ (INC)(Downgraded) as on 25th September 2019

RATING HISTORY

Instrument / Facilities	Current Rating			Rating History		
	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Rating	June, 2017	Feb, 2016	June, 2014
Overdraft Term loan	Long Term	2.00 3.16	BWR BB Stable (Reaffirmed) Issuer Not Cooperating	Rating Not Reviewed	BWR BB Stable (Upgraded)	BWR BB-Stable
Total	5.16		INR Five Crores and Sixteen Lakhs Only			

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

Aryabhata Academic Society

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.	Punjab National Bank	Fund based	5.16	-	5.16
TOTAL					5.16

Total Rupees Five Crores and Sixteen Lakhs only.

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