

## RATING RATIONALE

27 Jan 2021

### Asan Memorial Association

**Brickwork Ratings downgrades the ratings for the Bank Loan Facilities of ₹30.50 Crores of Asan Memorial Association based on best available information, as the issuer did not cooperate.**

#### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous Oct 2019	Present
Fund based	28.50	28.50	Long Term	BWR BB- (Stable)	BWR B+ (Stable) (Downgrade) Issuer Not Cooperating*
Non-Fund based	2.00	2.00	Short Term	BWR A4	BWR A4 (Reaffirm) Issuer Not Cooperating*
<b>Total</b>	<b>30.50</b>	<b>30.50</b>	<b>INR Thirty Crores and Fifty 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 is provided in Annexure-I&II

#### RATING ACTION

In view of the non-availability of the information and lack of cooperation from the issuer, Brickwork Ratings has downgraded the rating to 'BWR B+/Stable/A4, Issuer Not Cooperating', for the bank loan facilities amounting to Rs. 30.50 Crores of Asan Memorial Association

#### OUTLOOK / NATURE OF NON-COOPERATION

The rating was due for a review in Oct, 2020. BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the trust has not provided the same. 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. The trust has also been



irregular with respect to the submission of the monthly No Default Statement. Hence, based on best available information, continued lack of management cooperation and banker's feedback, the rating is downgraded and migrated to the Issuer Not Cooperating\* category.

#### 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 Financial Indicators	Units	FY18	FY19
Result Type		Audited	Audited
Total operating income	Rs Crs	35.13	34.48
EBITDA	Rs Crs	10.12	2.24
PAT	Rs Crs	-1.27	0.95
Tangible Net Worth	Rs Crs	31.88	32.83
Total Debt/TNW	Times	1.45	1.26
Current Ratio	Times	3.52	0.76

#### COMPANY PROFILE

Asan Memorial Association, registered under the Societies Registration Act, was established on 13th June 1965 by Mr. A K Gopalan, Chairman & Founder Secretary, to primarily promote Malayalam Literary culture. AMA runs 7 educational institutions including 4 schools, one Arts and Science college, Engineering college and Dental College in and around Chennai. Mrs. Shyamala Jayaprakash is currently the General Secretary for Asan Memorial Associations, Mr. C. K. Revi is the President and Mr. Gautham Babu is the Executive Director.

#### NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NA

**RATING HISTORY FOR THE LAST 3 YEARS (including withdrawn and suspended)**

Facilities	Current Rating (2021)			Rating History		
	Tenure	Amount (₹ Cr)	Rating	2020	Oct, 2019	2018
Fund Based	Long Term	28.50	BWR B+ (Stable) (Downgrade) Issuer Not Cooperating *	-	BWR BB- (Stable) Assigned	-
Non-Fund Based	Short Term	2.00	BWR A4 (Reaffirm) Issuer Not Cooperating *	-	BWR A4 Assigned	-
<b>Total</b>		30.50	INR Thirty Crores and Fifty lakhs Only			

\*Issuer did not cooperate; based on best available information

Note: Rating advisory was issued on 20th Nov 2020

**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**

- [Approach to Financial Ratios](#)
- [General Criteria](#)

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## ANNEXURE I

Asan Memorial Association

### Details of Bank Facilities rated by BWR

Sl. No.	Type of Facilities	Long Term (Rs.Crs.)	Short Term (Rs.Crs.)	Total (Rs.Crs.)
1.	Overdraft	15.00	-	28.16
	ODAP	10.00	-	
	Term Loan	0.53	-	
	Term Loan	0.08	-	
	Term Loan	0.55	-	
	Bank Guarantee	-	2.00	
2.	Term Loan	2.34	-	2.34
<b>Total</b>				<b>30.50</b>

**Total Rupees Thirty Crores and Fifty lakhs only.**

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