

RATING RATIONALE

Rishabh Educational Trust

Brickwork Ratings downgrades the Ratings for Bank Loan facilities of ₹ 6.94 Crores of Rishabh Educational Trust based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Crores)		Tenure	Rating#	
	Previous	Present		Previous (Dec, 2018)	Present
Fund Based	6.94	6.94	Long Term	BWR BB+ (Stable)	BWR BB (Stable) Downgrade Issuer Not Cooperating*
Total	6.94	6.94	₹ Six Crores and Ninety Four 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

Downgraded to BWR BB (Stable) (Issuer not Cooperating) based on best available information as the issuer did not cooperate.

BWR had assigned the bank loans of M/S Rishabh Educational Trust a rating of BWR BB+ (Stable) in December 2018. Later on 23 Dec 2019, the ratings were moved to the “Rating not Reviewed” category. We tried to reach out to the client for information for doing a surveillance rating through various emails. However, there was no response from the client. The client has also not submitted NDS for the past many months since the rating was assigned to them. In the absence of adequate information from the Company, BWR is unable to assess the Company’s financial performance and its ability to service its debt and maintain a valid rating. Hence, on account of inadequate information and lack of management cooperation and non submission of NDS on a monthly basis, Brickwork Ratings has downgraded the rating to BWR BB (Stable) Issuer Not Cooperating.

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. 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 [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY 18	FY 17
Result Type		Audited	Audited
Total Operating Revenue	Crs.	23.63	21.10
SBITDA	Crs.	4.15	6.09
Surplus	Crs.	1.08	3.57
Corpus Fund	Crs.	25.08	24.00
Total Debt/ Corpus Fund	Times	0.23	0.32
Current Ratio	Times	0.49	0.70

TRUST PROFILE

Founded in 2006, Rishabh Educational Trust runs Tula’s Institute, the engineering and management college. It offers various programs in undergraduate & postgraduate level in the fields of Science, Engineering, Management and Technology approved by AICTE and affiliated to Uttarakhand Technical University. The trust also operates a fully residential boarding school which was opened in 2013. Both the college and school campus are situated in Dhoolkot, Chakrata Road, Dehradun, Uttarakhand.

The campus is spread across 10.33 Acres of land with an in-built area of 22913 Sq Metres. There are various other facilities and infrastructure available to facilitate the education process on the campus like auditorium, labs, robotic labs, cafeteria, guest rooms etc.

The college has a cumulative sanctioned intake of 3888 students and a faculty of 150 to facilitate and mentor the students. The college had a fresh intake of 759 students in AY 2018-19 against a total available 1074 seats.

The Trust also forayed into school education by establishing an international boarding school in 2013 and is affiliated to CBSE, New Delhi. The school offers Eo-ed classes from Std VI to XII with a total student capacity of 400. Currently the school has a strength of 218 students who are facilitated by 41 teachers and mentors.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NA



RATING HISTORY

Facilities	Current Rating (May, 2020)			Rating History		
	Type (Long Term/ Short Term)	Amount (₹ Cr)	Rating	2019	21 Dec 2018	2017
Fund Based	Long Term	6.94	BWR BB (Stable) Downgrade Issuer Not Cooperating*	-	BWR BB+ (Stable) Assigned	-
Total		6.94	₹ Six Crores and Ninety Four Lakhs Only			

*Issuer did not cooperate; based on best available information

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

**Rishabh Educational Trust
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.	Oriental bank of Commerce	Term Loan	1.94	-	1.94
2.		Overdraft (Proposed)	5.00	-	5.00
TOTAL					6.94

Total Rupees Six Crores and Ninety Four Lakhs Only.

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