



Press Release

Shri Ram Raja Sarkar Lok Kalyan Trust (SRSLKT)

February 26th, 2021

Ratings

Facilities	Amount (INR Crore)	Current Ratings	Rating Action
Fund Based Facilities - Overdraft	2.00	IVR BB(INC)*; (IVR Double B) ISSUER NOT COOPERATING*	Rating revised from IVR BB+/Stable and moved to ISSUER NOT COOPERATING
Total	2.00		

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

Details of Facility are in Annexure 1

Detailed Rationale

The rating downgrade is because of lack of adequate information regarding Shri Ram Raja Sarkar Lok Kalyan Trust's performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated January 06th, 2021, January 18th, 2021, February 04th, 2021, February 13th, 2021 and February 17th, 2021 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details and fees for surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long term ratings for the bank loan facilities aggregating to INR2.00 Crore of Shri Ram Raja Sarkar Lok Kalyan Trust shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB: Issuer Not Co-operating; based on best available information (IVR Double B: Issuer Not Co-operating); based on best available information.



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Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Analytical Approach & Applicable Criteria

Standalone

Financial Ratios & Interpretation (Non-Financial Sector)

Rating Methodology for Service Sector Companies

Guidelines on what constitutes Non-Cooperation by clients

About the Company

Shri Ram Raja Sarkar Lok Kalyan Trust (SRSLKT) was incorporated on February 19, 2008 by taking over 5 institutes of Shri Rawatpura Sarkar Lok Kalyan Trust. Gradually the trust has expanded its scale of operations and at present operates 11 different institutes and one K-12 school which is affiliated to the Central Board of Secondary Education. All the institutes of the trust are located at Datia, Madhya Pradesh which is a remote location close to the city of Jhansi. At present, the trust offers post-graduation courses in various fields ranging from engineering, management, pharmacy, nursing, polytechnic, physical education, science education, journalism etc. The day-to-day affairs of the trust are managed by Mr. Ramesh Kumar Agarwal along with two other trustees; Mr. Naresh Kumar Agarwal & Mr. Deepak Kumar Agarwal.

Financials (Standalone)

(INR Crore)

For the year ended / As on	31-03-18	31-03-19
	Audited	Audited
Total Operating Income	22.28	20.56
Interest	1.20	0.74
PAT	2.27	0.86
Tangible Net worth	36.67	37.89
Ratios		
PAT Margin	10.19	4.16
Overall Gearing Ratio	0.26	0.23

* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: CRISIL in its press release dated January 31, 2019 has migrated the rating on bank facilities of SRSLKT to "Issuer Not Cooperating" category.

Any other information: Nil



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Rating History for last three years:

S. No	Name of Instrument/Facilities	Current Rating (Year 2020-21)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2019-20 (January 02 nd , 2020)	Date(s) & Rating(s) assigned in 2018-19 (September 28 th , 2018)	Date(s) & Rating(s) assigned in 2017-18 (November 16 th , 2017)
1.	Fund Based Facilities - Overdraft	Long Term	2.00	IVR BB(INC)	IVR BB+/Stable	IVR BB+/Stable	IVR BB/Stable
2.	Long Term Debt - Term Loan	Long Term	--	--	--	Withdrawn	IVR BB/Stable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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Annexure 1: Details of Facility

Name of Facility	Size of Facility (INR Crore)	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Rating Assigned/ Outlook
Fund Based Facilities - Overdraft	2.00	-	-	-	IVR BB (INC)*

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