

Press Release

Sri Gopiram Saraf Seva Trust

September 14, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 9.25 Crore #
Long Term Rating	ACUITE D Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; Based on best available information.

Rating Rationale

Acuité has reviewed long term rating of '**ACUITE D** (read as **ACUITE D**) to the Rs. 9.25 crore bank facilities of Sri Gopiram Saraf Seva Trust (SGSST). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Service Sector - <https://www.acuite.in/view-rating-criteria-8.htm>
- Default Recognition: <https://www.acuite.in/criteria-default.htm>

Limitation regarding information availability: The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

SGSST is a Chennai-based trust established on January 24, 2008 by Mr. Gajanad Saraf, Mr. Rajesh Kumar Saraf, Mrs. Veena Devi Saraf and Mr. Sarita Saraf. SGSST runs an educational institute named Saraf Institute of Engineering & Technology (SIET) in Hanumangarh (Rajasthan). The daily operations of the trust are managed by Dr. B. Mohapatra (Principal of SIET).

For FY2014-15, SGSST reported profit after tax (PAT) of Rs.2.80 crore on operating income of Rs.58.99 crore as compared with PAT of Rs.1.98 crore on operating income of Rs.43.64 crore in FY2013-14. The net worth stood at Rs.18.00 crore as on March 31, 2015 as compared with Rs.15.19 crore a year earlier.

Any other information:

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Status of non-cooperation with previous CRA (if applicable)

Not applicable

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
07-Aug-2017	Term Loan I	Long Term	4.50	ACUITE D (Reaffirmed)
	Term Loan II	Long Term	1.75	ACUITE D (Reaffirmed)
	Term Loan III	Long Term	3.00	ACUITE D (Reaffirmed)
31-Mar-2016	Term Loan I	Long Term	4.50	ACUITE D (Reaffirmed)
	Term Loan II	Long Term	1.75	ACUITE D (Reaffirmed)
	Term Loan III	Long Term	3.00	ACUITE D (Reaffirmed)
24-Mar-2015	Term Loan I	Long Term	4.50	ACUITE D (Assigned)
	Term Loan II	Long Term	1.75	ACUITE D (Assigned)
	Term Loan III	Long Term	3.00	ACUITE D (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loan I	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE D (Indicative)
Term Loan II	Not Applicable	Not Applicable	Not Applicable	1.75	ACUITE D (Indicative)
Term Loan III	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE D (Indicative)

Contacts

Analytical	Rating Desk
Aditya Gupta Head – Corporate and Infrastructure Sector Tel: 022-67141191 aditya.gupta@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in
Salome Farren Analyst - Rating Operations Tel: 022-67141164 salome.farren@acuiteratings.in	

About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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