



Press Release
Sri Gopiram Saraf Seva Trust
August 11, 2023

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	9.25	ACUITE D Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	9.25	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE D**' (read as **ACUITE D**) on the Rs.9.25 crore bank facilities of Sri Gopiram Saraf Seva Trust. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Sri Gopiram Saraf Seva Trust 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.

Non-cooperation by the issuer/borrower:

Acuite 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 the due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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

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). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

No information provided by the issuer / available for Acuité to comment upon.

Material Covenants

Not Applicable

Liquidity Position

No information provided by the issuer / available for Acuité to comment upon.

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Status of non-cooperation with previous CRA

None

Any other information

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

Applicable Criteria

- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
24 May 2022	Term Loan	Long Term	3.00	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	4.50	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	1.75	ACUITE D (Issuer not co-operating*)
23 Feb 2021	Term Loan	Long Term	1.75	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	4.50	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	3.00	ACUITE D (Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
State Bank of Bikaner and Jaipur	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	4.50	ACUITE D Reaffirmed Issuer not co-operating*
State Bank of Bikaner and Jaipur	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	1.75	ACUITE D Reaffirmed Issuer not co-operating*
State Bank of Bikaner and Jaipur	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	3.00	ACUITE D Reaffirmed Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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