

Press Release
Maharashtra Academy of Engineering and Education Research

September 28, 2018



Rating Update

Total Bank Facilities Rated	Rs. 260.00 Cr.#
Long Term Rating	ACUITE A+ Issuer not co-operating*
Short Term Rating	ACUITE A1 Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has reviewed the long term rating of '**ACUITE A+** (read as **ACUITE A plus**) and the short term rating of '**ACUITE A1**' (read as **ACUITE A one**) to the Rs.260.00 crore bank facilities of Maharashtra Academy of Engineering and Education Research (MAEER). 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

- Entities in the service sector: <https://www.acuite.in/view-rating-criteria-8.htm>
- Financial Ratios and Adjustments: <https://www.acuite.in/view-rating-criteria-20.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-17.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 endeavoured 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:

MAEER, established in 1983 by Dr. Vishwanath Karad, runs four universities namely Dr. Vishwanath Karad MIT World Peace University (Pune), MIT Art Design Technical University (Pune), Avantika University (Ujjain) and UTM University (Shillong). The universities offer academic programs in engineering, management, pharmacy, medicine among others apart from running primary and secondary schools in Maharashtra, Madhya Pradesh and Karnataka.

The company reported profit after tax (PAT) of Rs.59.40 crore on operating income of Rs.484.64 crore for FY2016-17 (Provisional) compared to PAT of Rs.1.95 crore on operating income of Rs.403.31 crore in FY2015-16. The net worth stood at Rs.360.08 crore as on 31 March, 2017 (Provisional) against Rs.306.95 crore a year earlier.

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

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.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
08-July-2017	Term Loan I	Long term	20.00	ACUITE A+/Stable (Reaffirmed)
	Term Loan II	Long term	30.00 (Enhanced from Rs.13.00 cr)	ACUITE A+/Stable (Reaffirmed)
	Term Loan III	Long term	25.00	ACUITE A+/Stable (Reaffirmed)
	Term Loan IV	Long term	7.50	ACUITE A+/Stable (Assigned)
	Term Loan V	Long term	10.22	ACUITE A+/Stable (Assigned)
	Term Loan VI	Long term	9.92	ACUITE A+/Stable (Assigned)
	Term Loan VII	Long term	7.86	ACUITE A+/Stable (Assigned)
	Term Loan VIII	Long term	10.00	ACUITE A+/Stable (Assigned)
	Cash Credit	Long term	114.50 (enhanced from Rs.75.00 cr)	ACUITE A+/Stable (Reaffirmed)
24-June-2017	Bank Guarantee/ Letter of Credit	Short Term	25.00	ACUITE A1/Stable (Reaffirmed)
	Term Loan I	Long term	20.00	ACUITE A+/Stable (Reaffirmed)
	Term Loan II	Long term	13.00	ACUITE A+/Stable (Assigned)
	Term Loan III	Long term	25.00	ACUITE A+/Stable (Assigned)
	Cash Credit	Long term	42.00 (reduced from Rs.50.00 cr)	ACUITE A+/Stable (Reaffirmed)
	Cash Credit	Long term	55.00	ACUITE A+/Stable (Assigned)
	Bank Guarantee/ Letter of Credit	Short Term	25.00	ACUITE A1/Stable (Reaffirmed)
13-July-2016	Term Loan	Long term	-	ACUITE A+/Stable (Withdrawn)
	Cash Credit	Long term	75.00	ACUITE A+/Stable (Assigned)
	Term Loan	Long term	66.07	ACUITE A+/Stable (Assigned)
	Proposed Facility	Long term	13.93	ACUITE A+/Stable (Assigned)
	Bank Guarantee/ Letter of Credit	Short Term	25.00	ACUITE A1/Stable (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	20.00	ACUITE A+ Issuer not co-operating*
Term Loan II	Not Applicable	Not Applicable	Not Applicable	30.00	ACUITE A+ Issuer not co-operating*
Term Loan III	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE A+ Issuer not co-operating*
Term Loan IV	Not Applicable	Not Applicable	Not Applicable	7.50	ACUITE A+ Issuer not co-operating*
Term Loan V	Not Applicable	Not Applicable	Not Applicable	10.22	ACUITE A+ Issuer not co-operating*
Term Loan VI	Not Applicable	Not Applicable	Not Applicable	9.92	ACUITE A+ Issuer not co-operating*
Term Loan VII	Not Applicable	Not Applicable	Not Applicable	7.86	ACUITE A+ Issuer not co-operating*
Term Loan VIII	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A+ Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	114.50	ACUITE A+ Issuer not co-operating*
Bank Guarantee/Letter of Credit	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE A1 Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Head - Corporate and Infrastructure Sector Ratings Tel: 022-67141111 aditya.gupta@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in
Amogh Kharkar Analyst - Rating Operations Tel: 022-67141315 amogh.kharkar@acuite.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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.