

Press Release

Archisha Educational Trust

December 28, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	14.00	ACUITE C Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	14.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

ACUITE has downgraded the long-term rating to '**ACUITE C**' (read as **ACUITE C**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) on the Rs 14.00 cr bank facilities of ARCHISHA EDUCATIONAL TRUST (AET).

The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information. The rating is downgraded is on account of information risk required for review of ratings.

The company has been downgraded because as per RBI suite filed list, the company has been found to be a defaulter.

About the Company

Uttar Pradesh based, AET was incorporated in 2007 by Mrs. Uma Nigam and Mrs. Dolly Kumari. It is engaged in the business of promotion of education, sports and student development. AET runs and manages a school named Archisha International School in Hardoi, Uttar Pradesh.

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 noncooperation 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 notcooperating", 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 entity has not shared the latest financial statement for Acuite to comment.

Rating Sensitivity

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Status of non-cooperation with previous CRA

None

Any other information

Acuite 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>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

Note on Complexity Levels of the Rated Instrument In order to inform the investors about complexity of instruments, Acuite 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
29 Aug 2022	Cash Credit	Long Term	0.50	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	8.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	5.50	ACUITE BB- (Downgraded and Issuer not co-operating*)
03 Jun 2021	Proposed Long Term Loan	Long Term	8.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	0.50	ACUITE BB (Downgraded and Issuer not co-operating*)

	Term Loan	Long Term	5.50	ACUITE BB (Downgraded and Issuer not co-operating*)
11 Mar 2020	Cash Credit	Long Term	0.50	ACUITE BB+ (Issuer not co-operating*)
	Term Loan	Long Term	5.50	ACUITE BB+ (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	8.00	ACUITE BB+ (Issuer not co-operating*)
08 Jan 2019	Proposed Long Term Loan	Long Term	8.00	ACUITE BB+ (Issuer not co-operating*)
	Term Loan	Long Term	5.50	ACUITE BB+ (Issuer not co-operating*)
	Cash Credit	Long Term	0.50	ACUITE BB+ (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
GRAMIN BANK OF ARYAVART	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	0.50	ACUITE C Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	Simple	8.00	ACUITE C Downgraded Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	5.50	ACUITE C Downgraded Issuer not co-operating*

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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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