

Press Release

Chockalingapuram Devangar Varthagar Sangam

January 30, 2019



Rating Update

Total Bank Facilities Rated*	Rs. 12.03 Cr. #
Long Term Rating	ACUITE B+ Issuer not co-operating*

Refer Annexure for details

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

Acuité has reviewed long-term rating of '**ACUITE B+** (read as **ACUITE B plus**) to the Rs. 12.03 crore bank facilities of Chockalingapuram Devangar Varthagar Sangam (CDVS). This rating is now an indicative rating and is based on best available information.

CDVS, founded in 1919, is a non-profit trust registered under the Tamil Nadu Societies Registration Act of 1975. The trust runs a convent school and two colleges at Aruppukottai, near Madurai (Tamil Nadu). The school offers education from standard 1 to standard 12, while the colleges offer a range of diploma and degree courses in civil, electrical and computer engineering.

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

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Entities In Services Sector - <https://www.acuite.in/view-rating-criteria-8.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 - Key Financials

	Unit	FY17 (Actual)	FY16 (Provisional)	FY15 (Actual)
Operating Income	Rs. Cr.	12.50	13.36	13.04
EBITDA	Rs. Cr.	-0.10	0.90	0.97
PAT	Rs. Cr.	-3.44	-1.91	-1.57
EBITDA Margin	(%)	-0.80	6.73	7.46
PAT Margin	(%)	-27.52	-14.29	-12.07
ROCE (%)	(%)	-8.25	-5.21	-5.89
Total Debt/Tangible Net Worth	Times	0.39	0.24	0.07
PBDIT/Interest	Times	0.05	2.16	6.47
Total Debt/PBDIT	Times	-91.36	6.25	1.66
Gross Current Assets (Days)	Days	120	73	49

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
05-Dec-2017	Term Loan I	Long Term	1.62	ACUITE B+ / Stable (Reaffirmed)
	Term Loan II	Long Term	10.00	ACUITE B+ / Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.41	ACUITE B+ / Stable (Reaffirmed)
30-Sep-2016	Term Loan I	Long Term	1.62	ACUITE B+ / Stable (Assigned)
	Term Loan II	Long Term	10.00	ACUITE B+ / Stable (Assigned)
	Proposed Long Term Loan	Long Term	0.41	ACUITE B+ / Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term loans I	Not Applicable	Not Applicable	Not Applicable	1.62	ACUITE B+ Issuer not co-operating*
Term loans II	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B+ Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	0.41	ACUITE B+ Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Srihari Adari Head - Corporate and Infrastructure Sector Ratings Tel: 040-40042327 srihari.adari@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in
Bhavani Sankar Oruganti Senior Analyst - Rating Operations Tel: 040-40055452 bhavansankar.oruganti@acuite.ratings.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.