

## Press Release

### A Shama Rao Foundation

August 11, 2021



### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs.43.00 Cr.#
<b>Long Term Rating</b>	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the long term rating to '**ACUITE BB**' (**read as ACUITE double B**) from '**ACUITE BB+**' (**read as ACUITE double B plus**) on the Rs.43.00 crore bank facilities of A Sharma Rao Foundation (ASRF). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Established in 1988 as a trust, ASRF is a part of Srinivas Group (SG) and C.A. Raghavendra Rao is the founder. The trust manages 18 educational institutes and offers various programmes in Science, Engineering, Management, and in Health Sciences in three campuses in Mangalore with about 12,000 students, 76 courses, and 3000 staff members. SG was established in 1988 with the opening of its first college, Srinivas College of Hotel Management and has a presence in education since then. SG has its own private university, Srinivas University, approved by the government. The Colleges are located on three campuses. First campus is located in Pandeshwar (1.5 Acres of land with 8,500 Sq. Mts. of buildup area), the heart of downtown Mangalore, the business and financial centre of Western Karnataka. The other Campus is located at Valachil (35 Acres of land with 60,000 Sq. Mts. of buildup area), nearly 10 KM from Mangalore along Mangalore Bangalore Highway. The third campus is located at Mukka, Surathkal (40 Acres of land and about 140000 Sq.Mts. built-up area).

#### 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 the due date.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities -<https://www.acuite.in/view-rating-criteria-59.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.

**Liquidity Indicators** - "No information provided by the issuer / available for Acuite to comment upon."

**Rating Sensitivity** - "No information provided by the issuer / available for Acuite to comment upon."

#### About the Rated Entity - Key Financials

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

#### 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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
14 May, 2020	Term Loan	Long Term	41.50	ACUITE BB+ (Downgraded from ACUITE BB+) Issuer not co-operating*
	Proposed Term Loan	Long Term	1.50	ACUITE BB+ (Downgraded from ACUITE BB+) Issuer not co-operating*
08 Mar, 2019	Term Loan	Long Term	41.50	ACUITE BBB/ Stable (Assigned)
	Proposed Term Loan	Long Term	1.50	ACUITE BBB/ Stable (Assigned)

### #Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Bank of Maharashtra	Term Loan	Not Available	Not Available	Not Available	41.50	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Not Applicable	Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*

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

### Contacts

Analytical	Rating Desk
Aditya Gupta Vice President- Corporate and Infrastructure Sector Tel: 022-49294041 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>	Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>
Vishal Kotian Analyst - Rating Operations Tel: 022-49294064 <a href="mailto:Vishal.kotian@acuite.in">Vishal.kotian@acuite.in</a>	

### About Acuité Ratings & Research:

Acuité Ratings & Research 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](http://www.acuite.in)) for the latest information on any instrument rated by Acuité.