

Press Release
Raman Education Society
April 05, 2024



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	St
Bank Loan Ratings	43.60	ACUITE BB Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	43.60	-	-

Rating Rationale

Acuite 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.43.60 Cr. long term bank facilities of Raman Education Society (RES). The rating is now be flagged as "Issuer NotCooperating" and is based on the best available information. The rating has been downgraded on account of information risk.

About the Company

Raman Education Society (RES) was established with the CV Raman College of Engineering (CRCE) in Bhubaneswar on August 9, 1989, in accordance with the Society Registration Act of 1860. The institute offers 17 UG programs in engineering, and many post-graduate (PG) programs in engineering, management, science, literature as well as Ph.D. courses. It has created many centers of excellence for facilitating specialised training and research in various subjects, in collaboration with renowned industry partners. At present, C.V. Raman Global University, Odisha established as per "Odisha Act 01 of 2020" C.V. Raman Global University operates under RES. The Society is managed by Mr. Sarat Chandra Bhadra, Mr. Sanjib kumar Rout, Mrs. Shailja Rout and Mr.Rabi Narayan Barik

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. Acuite has also 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 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.

Rating Sensitivities

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

Liquidity Position

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

Outlook: Not Applicable**Other Factors affecting Rating**

None

Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	55.97	44.96
PAT	Rs. Cr.	6.84	1.93
PAT Margin	(%)	12.21	4.30
Total Debt/Tangible Net Worth	Times	0.74	0.82
PBDIT/Interest	Times	3.65	3.16

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

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
27 Apr 2023	Term Loan	Long Term	26.21	ACUITE BB+ Stable (Assigned)
	Term Loan	Long Term	2.89	ACUITE BB+ Stable (Assigned)
	Secured Overdraft	Long Term	11.90	ACUITE BB+ Stable (Assigned)
	Secured Overdraft	Long Term	2.60	ACUITE BB+ Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Karnataka Bank Ltd	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	11.90	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
Karnataka Bank Ltd	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.60	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
Karnataka Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	26.21	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
Central Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.89	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)

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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