

February 28, 2024

Sri Manakula Vinayaga Educational Trust: Continues to remain under issuer non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	8.00	8.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Long Term-Fund Based-Term Loan	141.19	141.19	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Long Term / Short Term-Fund Based/Non Fund Based-Others	10.93	10.93	[ICRA]B+(Stable) ISSUER NOT COOPERATING*/ [ICRA]A4; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Short Term-Non Fund Based- Others	14.45	14.45	[ICRA]A4; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Total	174.57	174.57	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-term and Short-term ratings for the bank facilities of Sri Manakula Vinayaga Educational Trust in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Sri Manakula Vinayaga Educational Trust, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities, Key Financial Indicator: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology- Higher Education
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Sri Manakula Vinayaga Educational Trust (SMVET) was formed in 1996, under the leadership of Mr. N. Kesavan with a view to provide technical and medical education to the weaker sections of the society. The first educational institution to be opened under the aegis of this trust was Sri Manakula Vinayagar Engineering College (MVEC). Later, in 2006, the trust established Sri Manakula Vinayagar Medical College Hospital (MVMCH) with a first batch of 150 students. MVMCH also has a 900-bed hospital attached to the college, which has witnessed healthy occupancy and outpatient flow. In all, the 2 Trust operates six colleges in the Union Territory of Pondicherry spanning engineering, nursing, teacher training, medical and polytechnic courses with a total student base of more than 3,000. The Trustees also run the Mailam Subramaniya Swami Educational Trust which operates an engineering college in Tamil Nadu.

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CARE	CARE BB+; Stable/ CARE A4; ISSUER NOT COOPERATING	January 04, 2024

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021	
					28-February-2024	09-December-2022	14-October-2021	30-July-2020	
1	Cash Credit	Long Term	8.00	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	
2	Term Loan	Long Term	141.19	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	
3	Non Fund Based	Short Term	14.45	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	
4	Fund Based/Non Fund Based	Long Term/ Short Term	10.93	-	[ICRA]B+(Stable) ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable) ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable) ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable) ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Non Fund Based	Very Simple
Fund Based/Non Fund Based	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or

complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	8.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Term Loan	-	-	-	141.19	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Non Fund Based	-	-	-	14.45	[ICRA]A4; ISSUER NOT COOPERATING
NA	Fund Based/ Non Fund Based	-	-	-	10.93	[ICRA]B+(Stable) ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING

Source: Sri Manakula Vinayaga Educational Trust

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

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Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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