

January 29, 2024

Proseed Foundation: 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-Term Loan	9.86	9.86	[ICRA]B+(Stable); ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category
Long Term-Unallocated	0.14	0.14	[ICRA]B+(Stable); ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category
Total	10.00	10.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the long-term rating of Proseed Foundation in the 'Issuer Not Cooperating' category. The rating is denoted as [ICRA]B+(Stable); ISSUER NOT COOPERATING"

As part of its process and in accordance with its rating agreement with Proseed Foundation, 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 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	NA
Consolidation/Standalone	Standalone

About the company

Incorporated in 2009, Proseed Foundation is a charitable trust which has been promoted by the Career Point Group which has presence in informal education (tutorial services) and formal education (K-12 and higher education) segments. Till AY2014-15, Proseed Foundation runs and operates Career Point Technical Campus in Mohali (Punjab) which offers courses in engineering

(B.Tech course in 6 disciplines) and management (MBA in 3 disciplines). However, since AY2015-16 there is change in scope of operations for the trust with closing of this technical institute and start of residential school campus. The concept was borrowed from the group company Career Point Limited, which already runs similar kind of residential cum school campus in Kota since FY2000. The course is divided into two parts Foundation Years (Grade 6th to 10th) and Target Years (Grade 11th, 12th and 12th pass). The trust is headed by Mr. Om Prakash Maheshwari, who is also the executive director and CFO of Career Point Limited (Flagship Company of the Career Point group).

Status of non-cooperation with previous CRA:NA

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
					Jan 29, 2024			
1	Term Loan	Long Term	9.86	-	[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	Unallocated	Long Term	0.14	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Term Loan	Simple
Unallocated	Not Applicable

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	Term Loan	-	-	-	9.86	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	0.14	[ICRA]B+(Stable); ISSUER NOT COOPERATING

Source: Proseed Foundation

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

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About ICRA Limited:

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