

June 07, 2024

## Leo Muthu Educational Trust: Ratings Withdrawn

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Term Loan	18.26	18.26	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING*; Withdrawn.
Long Term-Unallocated	27.12	27.12	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING*; Withdrawn.
<b>Total</b>	<b>45.38</b>	<b>45.38</b>	

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

<sup>^</sup>Instrument details are provided in Annexure-I

### Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of Leo Muthu Educational Trust at the request of the company and based on the No Due Certificates (NDC)/Closure certificate received from its bankers. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers and their description, Liquidity Position, Rating Sensitivities and Key Financial Indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#).

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Policy in respect of non-cooperation by the rated entity</a> <a href="#">Corporate Credit Rating Methodology</a> <a href="#">Policy on withdrawal of Credit Ratings</a>
Parent/Group Support	NA
Consolidation/Standalone	Standalone

### About the company

Established in 1989, LMET is one of the well-established educational institutions offering primary, secondary and technical education in Tamil Nadu. LMET is one of the three trusts, which manage the Sai Ram Group of Institutions, the other two being Sapthagiri Educational Trust, Chennai and Sapthagiri Educational and Charitable Trust, Bangalore. LMET was established by Late Mr. Thiru M. Jothi Prakasam alias Mr. MJF Lion Leo Muthu. The trust runs seven educational institutions in Chennai, Thiruvarur and Dindigul in Tamil Nadu.

### Status of non-cooperation with previous CRA: NA

Any other information: None

## Rating history for past three years

Instrument	Type	Current Rating (FY2025)		Chronology of Rating History for the past 3 years				
		Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2024		Date & Rating in FY2023	Date & Rating in FY2022
				07-Jun-2024	29-Dec-2023	08-Nov-2023	17-Feb-2023	24-Mar-2022
1 Term Loan	Long Term	18.26	18.26	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING; Withdrawn	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING	[ICRA]BBB+ (Stable); ISSUER NOT COOPERATING	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)
2 Unallocated	Long Term	27.12	-	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING; Withdrawn	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING	[ICRA]BBB+ (Stable); ISSUER NOT COOPERATING	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)

## 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-I: 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	FY2016	-	FY2025	18.26	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING; Withdrawn.
NA	Unallocated	-	-	-	27.12	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING; Withdrawn.

Source: Leo Muthu Educational Trust

[Please click here to view details of lender-wise facilities rated by ICRA](#)

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

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