

September 26, 2024

Punjabi University, Patiala: Continues to remain in Issuer Non-Cooperating category, Rating downgraded based on best available information

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	120.00	120.00	[ICRA]B+(Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB(Stable) ISSUER NOT COOPERATING and continues to remain under 'Issuer Not Cooperating' category
Total	120.00	120.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

The rating downgrade is attributable to the lack of adequate information regarding **Punjabi University, Patiala** performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating, as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade."

As part of its process and in accordance with its rating agreement with **Punjabi University, Patiala**, 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 indicators : [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 Higher Education
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Punjab Assembly established Punjabi University, Patiala under the Punjab Act No. 35 of 1961. Dr. S. Radhakrishnan, the then President of India laid foundation of Punjabi University on June 24, 1962. Established in the erstwhile princely state of Patiala with the main objective of furthering the cause of Punjabi language, art and literature, Punjabi University has since evolved into the largest University in the state. Its vision was to establish and incorporate a University for the advancement of Punjabi studies and development of Punjabi language as a medium of instruction or otherwise for providing instruction in humanistic and scientific subjects and generally for the promotion of education and research. The University started working from its present 316 acres campus since 1965.

Initially University's jurisdiction area was fixed as the 16-km radius having only 9 colleges. In 1969, it grew into an affiliating university, with 43 colleges affiliated to it. Now the university caters to the educational needs of nine Districts of Punjab. Over the time since its inception, the University has evolved into a multi-faceted and multi-faculty educational institution for the promotion of higher education and research in Humanities, Arts, Sciences, Engineering Languages, Technology and many more. Spread over 600 acres of land, its 1000+ teachers are imparting instruction and guidance to nearly 35,000+ students in a multi-faculty environment comprising 70+ Teaching and Research Departments/Chairs on its Campus, 27 Regional Centre/Neighborhood Campuses/Constituent Colleges and 274 Colleges affiliated to it.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
				26-September-2024	23-August-2023	29-July-2022	22-April-2021
1	Fund Based-Cash Credit	Long Term	120.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB(Stable); ISSUER NOT COOPERATING	[ICRA]BB(Stable)	[ICRA] BB; (Negative)

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund Based-Cash Credit	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	Fund Based-Cash Credit	NA	NA	NA	120.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING

Source: *Punjabi University, Patiala*

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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