

November 19, 2019

Sri Sathyanarayana Education Trust (erstwhile Sri Sathyanarayana Educational Society): Continues to remain in Non-Cooperating category, Rating downgraded based on best available information

Summary of rated instruments

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Term Loan	16.00	16.00	[ICRA]BB+(Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BBB(Stable) and continues to remain under 'Issuer Not Cooperating' category
Total	16.00	16.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

The rating is downgraded because of lack of adequate information regarding Sri Sathyanarayana Education Trust 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 the rated entity". 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 Sri Sathyanarayana Education Trust, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

The previous detailed rating rationale is available on the following link: [Click here](#)

About the company

SSET was registered and incorporated in 1990 by Mr. T. Venugopal. The trust's operations started with the setting up of New Baldwin Residential School in 1990, which is located at Doddabanaswadi in Bangalore. The school provides education from pre-nursery to Std. X. In 2006, the society set up New Baldwin International Residential School (NBRS) on a 15-acre campus near Old Madras Road. SSET started New Baldwin Residential PU College in 2007 in the same campus of NBRS. In order to diversify the course offering, the society has set up Sri Sai Sathyanarayana College in Doddabanaswadi, which offers pre-degree and degree level courses. In 2014 and 2015, the trust has set up New Baldwin International School in Anekal and TC Palya respectively.

Key Financial Indicator: Not Applicable

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for past three years

S. No.	Instrument	Current Rating (FY2020)			Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2019	Date & Rating in FY2018	Date & Rating in FY2017
						19-Nov-19	30-Aug-18	28-Feb-17
1	Fund Based-Term Loan	Long term	16.00	-	[ICRA]BB+(Stable) ISSUER NOT COOPERATING*	[ICRA]BBB(Stable) ISSUER NOT COOPERATING*	-	[ICRA]BBB(Stable)

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

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1 Instrument Details

ISIN No	Instrument	Type	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term Loan	Long-term	-	-	-	16.00	[ICRA]BB+(Stable) ISSUER NOT COOPERATING

Source: SSET

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