



## Press Release

### JND Edu Realty Limited

February 06, 2024

#### Rating

Instruments/ Facilities	Amount (Rs. crore)	Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Fund Based Bank Facilities - Term Loan	-	-	Withdrawn	Simple
<b>Total</b>	-			

**Details of Facilities are in Annexure 1**

#### **Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers**

Infomerics has withdrawn the outstanding ratings assigned to the bank facility of JND Edu Realty Limited (JNDERPL) with immediate effect. The above action has been taken at the request of JND Edu Realty Limited and 'No Due Certificate' received from the lender that have extended the facilities rated by Infomerics.

#### **Analytical Approach: Combined**

Infomerics has considered the combined business and financial risk profiles of Vidya Vikas Education Trust, National Education Society, Maharashtra Samaj Ghatkopar, Universal Education Foundation, Super Value Properties Private Limited, SML Supervalue Education Private Limited, SML Properties Private Limited, JND Edu-Realty Private Limited, JND Edu-Management Services Private Limited, UTOPIA Hospitality Private Limited, UDAN Recreation Services Private Limited, JND Realcon Private Limited, SML Realtech Private Limited, Almighty Infrastructure Private Limited, SML Edu-Infra Private Limited, SAA Edu-Infra Services LLP, The Abraham Memorial Education Trust, Alpha Foundation for Education and Research, Primus Trust, General Computer Services International, Universal Edu Infra Services Pvt Ltd, A. P. Greig Foundation Trust, AJL Edu-Solutions LLP, Agastya Edu-Realty LLP, Bombay Education Trust, Gareeb Vidyarthi Sahayak Mandal Trust, AJL Edu-Infra Services LLP, AJL Buildcon LLP, JND Edu Infra Services Private Limited, Sahyog Charitable Trust, Universal Edu Realty LLP, Universal Educon Private Limited, Shreeji Education Trust and Bolar Education Trust together referred to as the 'Universal Education Group' (UEG) to arrive at the rating as these entities are under a common management and have operational linkages and cash flow fungibility. The list of entities is given in Annexure 2.

#### **Applicable Criteria:**

[Policy on Withdrawal of ratings](#)



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### Consolidation of companies

#### **Liquidity: Adequate**

The liquidity of the Group is expected to remain adequate in the near term marked by its expected sufficient cash accruals vis-à-vis its debt repayment obligations of Rs.62.60 crore in FY24, Rs.63.89 crore in FY25 and Rs.73.93 crore in FY26. The UEG earned a gross cash accrual of Rs.80.32 crore in FY23. Also, with the resourcefulness and its established presence, Infomerics, do not envisaged much difficulty for the group in meeting its debt obligations in the near term. The group had free cash and cash equivalent of Rs.37.30 crore as on December 31, 2023. The current ratio of the Group also stood comfortable at 2.20x as on March 31, 2023.

#### **About the Company**

Founded by Mr. Jesus Lall in 2011, JND Edu Realty Private Limited (JNDERPL) is a part of the UE Group and manages a pre-primary school and provides infrastructure services to Alpha Foundation for Education and Research.

Following are the institutions managed by the JND Edu Realty Pvt Ltd.:

No	Institutions Name	Curriculum / Affiliations	Location	Course	Year of establishment
1	Alpha Beginnings	UEG Curriculum	K.K. Nagar, Trichy, Tamil Nadu	Pre-primary	1993

#### **About UEG:**

Founded by Mr. Jesus S.M. Lall, UEG has presence in the education sector since 2003 and runs 47 educational institutes across 34 entities and offers K-12 education, degree, and technical courses. The group has recently started operations of three new schools with International Curriculum at Andheri, Bandra and Goregaon in Mumbai from September 2022 onwards. While most of the entities are in the education sector, some of them are asset holding and provides support services to the institutes. The group has its presence in Maharashtra, Karnataka and Tamil Nadu.

#### **Financials (Combined):**

For the year ended* / As On	(Rs. crore)	
	31-03-2022	31-03-2023
	Audited	Audited



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Total Operating Income	355.01	464.61
Total Income	361.81	481.44
EBITDA	115.96	131.77
PAT	58.25	59.13
Total Debt	867.85	838.28
Tangible Net worth	297.06	389.72
Adjusted Tangible Net worth	573.82	693.37
EBITDA Margin (%)	32.66	28.36
PAT Margin (%)	16.10	12.28
Overall Gearing Ratio (x)	1.51	1.21

*\*Classification as per Infomerics' standards.*

### Financials (Standalone):

For the year ended* / As On	(Rs. crore)	
	31-03-2022	31-03-2023
	<b>Audited</b>	<b>Audited</b>
Total Operating Income	0.83	1.34
Total Income	0.85	1.46
EBITDA	(0.02)	0.58
PAT	(5.08)	(5.13)
Total Debt	64.05	11.07
Tangible Net worth	(23.09)	(28.21)
Adjusted Tangible Net worth	(1.09)	(28.21)
EBITDA Margin (%)	(2.62)	42.95
PAT Margin (%)	(596.35)	(350.02)
Overall Gearing Ratio (x)	(58.95)	(0.39)

*\*Classification as per Infomerics' standards.*

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

Acuite Ratings has continued to classify the rating of JNDERPL under "ISSUER NOT COOPERATING" vide its Press Release dated August 23, 2023 due to non-availability of requisite information to carry out a review.

**Any other information: Nil**

**Rating History for last three years:**



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Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (November 10, 2022)	Date(s) & Rating(s) assigned in 2021-22 (August 16, 2021)	Date(s) & Rating(s) assigned in 2020-21
1.	Term Loan	Long Term	-	Withdrawn	IVR BBB+/Stable	IVR BBB+/Stable	-

### Name and Contact Details of the Rating Analyst:

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### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit [www.infomerics.com](http://www.infomerics.com)

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recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	-	-	Withdrawn

### Annexure 2: List of companies considered for consolidated analysis:

Name of the Company	Consolidation Approach
SML Properties Private Limited	Full consolidation
Maharashtra Samaj Ghatkopar	Full consolidation
JND Edu-Realty Private Limited	Full consolidation
SML Supervalue Education Private Limited	Full consolidation
AJL Edu-Solutions LLP	Full consolidation
Bombay Education Trust	Full consolidation
Universal Edu Infra Services Private Limited	Full consolidation
SML Edu-Infra Private Limited	Full consolidation
General Computer Services International	Full consolidation
SAA Edu-Infra Services LLP	Full consolidation
A. P. Greig Foundation Trust	Full consolidation
Gareeb Vidyarthi Sahayak Mandal Trust	Full consolidation
AJL Edu Infra Services LLP	Full consolidation
National Education Society	Full consolidation
Universal Education Foundation	Full consolidation
Sahyog Charitable Trust	Full consolidation
Vidya Vikas Education trust	Full consolidation
Alpha Foundation for Education & Research	Full consolidation
JND Edu Infra Services Private limited	Full consolidation
SML Realtech Private Limited	Full consolidation
JND Realcon Private Limited	Full consolidation
JND Edu management Services Private Limited	Full consolidation
SML Supervalue Education Private Limited	Full consolidation
Supervalue Properties Private Limited	Full consolidation
Udan Recreation Services Private Limited	Full consolidation
The Abraham Memorial Educational Trust	Full consolidation
Primus Trust	Full consolidation
AJL Buildcon LLP	Full consolidation



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Utopia Hospitality Private Limited	Full consolidation
Universal Educon Private Limited	Full consolidation
Agastya Edu realty LLP	Full consolidation
Almighty Infrastructure Private Limited	Full consolidation
Shreeji Education Trust	Full consolidation
Bolar Education Trust	Full consolidation

**Annexure 3: Facility wise lender details: Not Applicable**

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable**

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).