



Press Release

Master Nihal Singh Memorial Education Society

August 24, 2022

Ratings

Instrument Facility /	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facility	75.00	IVR D	Reaffirmed	Simple
Total	75.00	Rupees Seventy Five Crore Only		

Details of Facilities are in Annexure 1

Detailed Rationale

Infomerics Valuation and Rating Private Limited (IVR) has reaffirmed the rating of Master Nihal Singh Memorial Education Society at IVR D for the bank loan facility. The reaffirmation is on account of delay in servicing of debt obligations in last 12 months. Further, account has been classified as Non-Performing Asset (NPA) by Statutory Auditor of bank due to inherent weakness as confirmed by the banker.

Key Rating Sensitivities:

Upward Factors

- Continuous timely servicing of debt obligations for period of at least 90 days.

List of Key Rating Drivers with Detailed Description

Key Rating Weaknesses

- **Delay in servicing of debt obligations**

The Society has defaulted in repayment of its obligations in bank loan facilities.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Service Sector Entities](#)

[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)

[Criteria on Default Recognition and Post-Default Curing Period](#)



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Liquidity – Poor

About the Society

Master Nihal Singh Memorial Education Society was incorporated on 23rd October 2002 under the Societies Registration Act NCT of Delhi, New Delhi vide Certificate of Registration No. S-44172 of 2002 as a Trust with the main object of carrying on business of Education. The registered office of the Trust is situated at 1/7, Sarvapriya Vihar New Delhi-110016.

Financials (Standalone):

For the year ended* As on	(Rs. crore)	
	31-03-2021	31-03-2022
	Audited	Provisional
Total Operating Income	16.16	16.23
EBITDA	12.68	12.45
PAT	-0.62	-1.27
Total Debt	82.02	81.64
Adjusted Tangible Net worth	123.72	132.63
EBITDA Margin (%)	78.43	76.69
PAT Margin (%)	-3.84	-7.79
Overall Gearing Ratio (x)	0.64	0.59

*Classification as per Infomerics' standard

Status of non-cooperation with previous CRA: Brickwork Ratings in its press release dated August 18, 2021 has migrated the rating of Master Nihal Singh Memorial Education Society to "Issuer Not Cooperating" category due to non-availability of adequate information.

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 (Sep 01, 2021)	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20
1.	Term Loan	Long Term	75.00	IVR D	IVR D	-	-



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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

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

For more information visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not 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.



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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities – Term Loan	-	-	March, 2031	75.00	IVR D

Annexure 2: List of companies considered for consolidated analysis: Not Applicable.

Annexure 3: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-Master-NihalSingh-aug22.pdf>

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.