



Press Release

Sri Rama Educational Trust

May 22, 2023

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities – Term Loan	25.54	IVR BB+/ ISSUER NOT COOPERATING/ Stable (IVR Double B Plus ISSUER NOT COOPERATING / Stable Outlook)	Reaffirmed & Moved to Issuer Not Cooperating Category	Simple
Long Term Bank Facilities – Overdraft	20.00	IVR BB+/ ISSUER NOT COOPERATING / Stable (IVR Double B Plus ISSUER NOT COOPERATING / Stable Outlook)	Reaffirmed & Moved to Issuer Not Cooperating Category	Simple
	45.54 (Rupees Forty- Five Crores and Fifty-Four Lakhs Only)			

Detailed Rationale

The change in the ratings assigned to the bank facilities of Sri Rama Educational Trust reflects lack of adequate information available about the performance of the trust. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

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 rating reaffirmation.

Note on non-cooperation

The Trust has been sharing information in parts and clarification on the information shared requisite for the review of rating is awaited. To comply with the SEBI guidelines on surveillance



Press Release

of rating within the time period, the rating is moved to the Issuer Not Cooperating category and on receipt of all the required information and clarification, a detailed rating review as per the latest financial and available information will be carried out.

Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the ratings assigned to the bank loan facilities of Sri Rama Educational Trust aggregating to INR 45.54 crore to the 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BB+; ISSUER NOT COOPERATING/ Stable Outlook for the long-term bank facilities.

Analytical Approach: Standalone

Applicable Criteria

[Rating Methodology for Service Sector](#)

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

[Policy on Issuer not cooperating and surveillance/review of existing rating](#)

[Criteria of assigning Rating Outlook](#)

About the Trust

Sri Rama Educational Trust was established in the year 2000 by Dr. Alluri Murthy Raju. Under the management of the trust, Maharajah's Institute of Medical Sciences (MIMS) was established in year 2003. The institute is situated at Nellimarla in Vizianagaram district of Andhra Pradesh. The institute is spread across an area of more than 20 acres. It consists of two blocks of 1,10,000 sq feet and 90,000 sq feet exclusively for medical college. In addition, it has a 880 bedded hospital which occupies an area of 3,10,000 sq feet. The courses offered by the institute are MBBS, MD, MS, BHMS, BPT, MSC Nursing, GNM, BSC LT, MSC LT and many other Paramedical courses. The 880 bedded hospital has departments for Paediatrics, Pulmonary Medicine, Psychiatry, Dermatology, Orthopaedic, Ophthalmology, ENT, Dental, Obstetrics & Gynaecology among others.

Financials (Standalone)*:

(INR crore)

For the year ended* As on	31-03-2020	31-03-2021
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Press Release

	Audited	Audited
Total Operating Income	108.42	75.43
EBITDA	26.60	29.26
PAT	15.60	14.46
Total Debt	76.80	68.92
Tangible Net Worth	15.76	30.21
EBITDA Margin (%)	24.53	38.78
PAT Margin (%)	14.39	19.16
Overall Gearing Ratio (x)	4.87	2.28

* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating History for last three years:

Sr. No.	Name of Instrument/Facility	Current Rating (Year: 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating*	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22 (Feb 23, 2022)	Date(s) & Rating(s) assigned in 2020-21 (Nov 24, 2020)
1.	Fund Based Facilities-Term Loan	Long Term	25.54	IVR BB+/ ISSUER NOT COOPERATING/ Stable	-	IVR BB+/ Stable	-
2.	Fund Based Facilities-Overdraft	Long Term	20.00	IVR BB+/ ISSUER NOT COOPERATING/ Stable	-	IVR BB+/ Stable	-
3.	Fund Based Facilities-Proposed Term Loan	Long Term	0.00	-	-	-	IVR BB+/ Stable
4.	Fund Based Facilities-Proposed Cash credit	Long Term	0.00	-	-	-	IVR BB+/ Stable
Total							



Press Release

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

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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 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.

Annexure 1: Details of Facilities: Not Applicable



Press Release

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

Annexure 3: Facility wise lender details: Not Available

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