



SMERA RATINGS LIMITED

Anand Education Society (AES)**Rating
Rationale****November 03, 2014**

Facilities	Amount (Rs. Crore)	Rating
Term Loan	1.68	SMERA C (Assigned)
Overdraft	3.00	SMERA C (Assigned)

SMERA has assigned a rating of '**SMERA C**' (read as **SMERA single C**) to the Rs.4.68 crore long-term (fund based) bank facilities of Anand Education Society (AES). The rating is constrained by the society's small-scale operations in a highly competitive segment of the education sector. The rating is further constrained by past instances of delays in debt servicing by the society. The aforementioned weaknesses are partially offset by the society's experienced management.

AES was established in 1982 under the Registration of Societies Act, 1860 to run and manage education institutions. AES established Lancer Public School (a CBSE affiliated senior secondary school) in 1988. The society has small-scale operations with total income of Rs.21.19 crore in FY2012-13 (refers to financial year, April 01 to March 31). AES faces intense competition from several players in the education sector. The society's bank statements reflect delays in servicing and repayment of debt during April 2014 to June 2014. However, AES has thereafter honored its debt obligations in a timely manner.

AES benefits from its experienced management. The society's trustees have around four decades of experience in the education sector.

About the society

AES is a New Delhi-based education institute established in 1982 under the Registration of Societies Act, 1860. AES is engaged in running of Lancer Public School, New Delhi.

For FY2012-13, AES reported surplus of Rs.0.75 crore on total income of Rs.21.19 crore, as compared with surplus of Rs.0.29 crore on total income of Rs.19.32 crore in FY2011-12. The society booked income of Rs.26.12 crore (provisional) in FY2013-14. AES's net worth stood at Rs.12.07 crore as on March 31, 2013, as compared with Rs.8.24 crore a year earlier.

Contact List:

Media / Business Development	Analytical Contacts	Rating Desk
Mr. Sanjay Kher Vice President, Sales – Corporate Ratings Tel: +91-22-6714 1193 Cell: +91 9819136541 Email: sanjay.kher@smera.in Web: www.smera.in	Mr. Ashutosh Satsangi Vice President – Operations Tel: +91-22-6714 1107 Email: ashutosh.satsangi@smera.in	Tel: +91-22-6714 1170 Email: ratingdesk@smera.in

Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.