

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.

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