



Press Release
ZEAL EDUCATION SOCIETY
August 07, 2025
Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	32.08	ACUITE BB Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	32.08	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

* The issuer did not co-operate; based on best available information.

Rating Rationale

Acuité has downgraded its long-term rating to ‘**ACUITE BB**’ (read as **ACUITE Double B**) from ‘**ACUITE BB+**’ (read as **ACUITE Double B Plus**) on the Rs. 32.08 crore bank facilities of Zeal Education Society (ZES). The rating is now flagged as “Issuer Not-Cooperating” and is based on best available information.

Acuite had sent repeated reminders to the company for sharing critical information and documents for surveillance of the ratings. But despite multiple requests, the company has remained non-cooperative in providing any information. The rating is downgraded on account of information risk.

About the Company

Zeal Education Society was incorporated in the year 1996 and promoted by Mr. Sambhaji Katkar. It is an educational trust. The trust has around 9 members. It runs various schools and colleges in the brand name of Zeal in Pune and Sangli in Maharashtra. It has around more than 12000 students and around 600 teaching and 300 non-teaching staff.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuité believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as “Issuer not cooperating”, in line with prevailing SEBI regulations and Acuité’s policies.

Limitation regarding information availability

This rating is based on information available from sources other than the issuer / borrower (in the absence of

information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon

Outlook: Not Applicable**Other Factors affecting Rating**

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	101.94	71.21
PAT	Rs. Cr.	10.98	5.13
PAT Margin	(%)	10.77	7.21
Total Debt/Tangible Net Worth	Times	0.13	0.14
PBDIT/Interest	Times	20.60	67.53

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
14 May 2024	Term Loan	Long Term	0.54	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Term Loan	Long Term	1.77	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Term Loan	Long Term	4.64	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Proposed Long Term Bank Facility	Long Term	8.08	ACUITE BB+ Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	17.05	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
14 Feb 2023	Term Loan	Long Term	8.38	ACUITE BB Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	15.62	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.08	Simple	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	17.05	Simple	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
Abhyudaya Cooperative Bank	Not avl. / Not appl.	Term Loan	29 Jun 2018	Not avl. / Not appl.	15 Jul 2026	4.64	Simple	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
Abhyudaya Cooperative Bank	Not avl. / Not appl.	Term Loan	20 Mar 2019	Not avl. / Not appl.	15 Jun 2029	1.77	Simple	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
Abhyudaya Cooperative Bank	Not avl. / Not appl.	Term Loan	16 Mar 2019	Not avl. / Not appl.	15 Jun 2029	0.54	Simple	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)

* The issuer did not co-operate; based on best available information.

Disclosure of list of non-cooperative issuers

- Listed :- https://www.acuite.in/Non-Cooperative_Issuer_Listed.php
- Unlisted :- https://www.acuite.in/Non-Cooperative_Issuer_Unlisted.php

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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