

## Press Release

### Gateway Education and Charitable Society

October 21, 2022



### Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	21.00	ACUITE B+   Reaffirmed   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	21.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs.21.00 crore bank facilities of Gateway Education and Charitable Society (GECS). The rating continues to be flagged as "Issuer Not-Cooperating" and based on the best available information.

### About the Company

GECS, established in 2005, is headed by Mr. Rakesh Aggarwal (President), Mr. H. P. Mangla (Executive President), Ms. Anju Aggarwal (Vice President 1) and others. GECS manages six educational institutes from its campus located at Sonipat (Haryana). GECS presently caters to around 4,116 students.

### Non-cooperation by the issuer/borrower:

Acuite 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. Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an 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 Acuite's policies.

### Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

### About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

### Rating Sensitivity

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

### Material Covenants

None

### Liquidity Position

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

### Outlook

Not Applicable.

### Other Factors affecting Rating

None

### Status of non-cooperation with previous CRA

None

### Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### Applicable Criteria

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

### Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
23 Jul 2021	Secured Overdraft	Long Term	1.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	20.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
30 Apr 2020	Term Loan	Long Term	20.00	ACUITE BB- (Issuer not co-operating*)
	Secured Overdraft	Long Term	1.00	ACUITE BB- (Issuer not co-operating*)
05 Mar 2019	Term Loan	Long Term	20.00	ACUITE BB- (Issuer not co-operating*)
	Secured Overdraft	Long Term	1.00	ACUITE BB- (Issuer not co-operating*)
09 Jan 2018	Secured Overdraft	Long Term	1.00	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	20.00	ACUITE BB- (Issuer not co-operating*)
07 Oct 2016	Secured Overdraft	Long Term	1.00	ACUITE BB-   Stable (Reaffirmed)
	Term Loan	Long Term	20.00	ACUITE BB-   Stable (Reaffirmed)
30 Jun 2015	Secured Overdraft	Long Term	1.00	ACUITE BB-   Stable (Upgraded from ACUITE B   Stable)
	Term Loan	Long Term	20.00	ACUITE BB-   Stable (Upgraded from ACUITE B   Stable)
30 Jan 2014	Secured Overdraft	Long Term	1.00	ACUITE B   Stable (Assigned)
	Term Loan	Long Term	20.00	ACUITE B   Stable (Assigned)

**Annexure - Details of instruments rated**

<b>Lender's Name</b>	<b>ISIN</b>	<b>Facilities</b>	<b>Date Of Issuance</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Quantum (Rs. Cr.)</b>	<b>Rating</b>
State Bank of India	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE B+   Reaffirmed   Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	20.00	ACUITE B+   Reaffirmed   Issuer not co-operating*

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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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