

Chaitanya Educational Society

April 20, 2022

Ratings

| Facilities/Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|------------------------------|---|--|--|
| Long Term Bank Facilities | 9.96 | CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Total Bank Facilities | 9.96 (Rs. Nine Crore and Ninety- Six Lakhs Only) | | |

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated February 05, 2021, placed the rating(s) of Chaitanya Educational Society (CES) under the 'issuer non-cooperating' category as CES had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. CES continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 22, 2021, January 01, 2022, January 11, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [February 05, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

About the society

Chaitanya Educational Society (CES) was established in the year 2001 as a part of Chaitanya Group under the Societies Registration Act, 1860 (A.P. Societies Registration Act, 2001) at Kakinada, East Godavari District, Andhra Pradesh. The society was founded by Mr. K.V.V. Satyanarayana with an objective of promoting educational institutions of higher learning in the field of Science & Technology, Engineering, Pharmacy, Management etc. Further, he is ably supported by Mr. Sasi Karan Varma, the youngest son of Mr. K.V.V. Satyanarayana Raju, who is the managing director of CES. The society has established two institutions namely Chaitanya Engineering College (CEC) (2002-03), Sri Chaitanya Engineering College (SCEC) (2009-10). CES institutes have been approved by All India Council for Technical Education (AICTE), New Delhi and affiliated to the Jawaharlal Nehru Technological University (JNTU). The courses offered in the CES institutes are B. Tech., M. Tech., M.B.A., and Engineering diploma with an overall sanctioned annual intake of 1848 seats.

| Brief Financials (Rs. crore) | 31-03-2020 (A) | 31-03-2021 (A) | 31-03-2022 (Prov.) |
|------------------------------|----------------|----------------|--------------------|
| Total operating income | NA | NA | NA |
| PBILDT | NA | NA | NA |
| PAT | NA | NA | NA |
| Overall gearing (times) | NA | NA | NA |
| Interest coverage (times) | NA | NA | NA |

A: Audited; Prov: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: ICRA suspended the ratings assigned to the bank facilities of CES vide press release dated April 12, 2016 on account its inability to carryout review in the absence of best available information from the company.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure-3

Complexity level of various instruments rated for this society: Annexure-4

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Annexure-1: Details of Instruments / Facilities

| Name of the Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating assigned along with Rating Outlook |
|--------------------------------|------|------------------|-------------|---------------|-------------------------------|---|
| Fund-based - LT-Term Loan | | - | - | December 2020 | 3.96 | CARE D; ISSUER NOT COOPERATING* |
| Fund-based - LT-Bank Overdraft | | - | - | - | 6.00 | CARE D; ISSUER NOT COOPERATING* |

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years*

| Sr. No. | Name of the Instrument/ Bank Facilities | Type | Current Ratings | | Rating history | | | |
|---------|---|------|--------------------------------|---------------------------------|---|---|---|---|
| | | | Amount Outstanding (Rs. crore) | Rating | Date(s) & Rating(s) assigned in 2022-2023 | Date(s) & Rating(s) assigned in 2021-2022 | Date(s) & Rating(s) assigned in 2020-2021 | Date(s) & Rating(s) assigned in 2019-2020 |
| 1 | Fund-based - LT-Term Loan | LT | 3.96 | CARE D; ISSUER NOT COOPERATING* | - | - | 1)CARE D; ISSUER NOT COOPERATING* (05-Feb-21) | 1)CARE D (06-Feb-20) |
| 2 | Fund-based - LT-Bank Overdraft | LT | 6.00 | CARE D; ISSUER NOT COOPERATING* | - | - | 1)CARE D; ISSUER NOT COOPERATING* (05-Feb-21) | 1)CARE D (06-Feb-20) |

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable**Annexure 4: Complexity level of various instruments rated for this Society**

| Sr. No | Name of instrument | Complexity level |
|--------|--------------------------------|------------------|
| 1 | Fund-based - LT-Bank Overdraft | Simple |
| 2 | Fund-based - LT-Term Loan | Simple |

Annexure 5: Bank Lender Details for this society

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings:

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