

Press Release

Shriram Chits Tamilnadu Private Limited

October 29, 2020

Rating Update



Total Bank Facilities Rated	Rs. 60.00 Cr. #
Short Term Rating	ACUITE A4+ (Downgraded; Issuer not co-operating*)

Refer Annexure for details

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

Acuité has downgraded the short term rating of '**ACUITE A2+**' (read as **ACUITE A two plus**) to '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 60.00 crore bank facilities of Shriram Chits Tamilnadu Private Limited. This rating is now an indicative rating and is based on the best available information.

Shriram Chits Tamilnadu Private Limited (SCTPL) has been in the chit fund business since 1989 with operations spread across Tamil Nadu. As a part of the Shriram Group of Companies, the company was promoted by Mr. R. Thyagarajan. SCTPL is a registered chit fund company under the Chit Fund Act, 1982.

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.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Non- Banking Financing Entities - <https://www.acuite.in/view-rating-criteria-44.htm>

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). Acuité endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

Particulars	Unit	FY20 (Provisional)	FY19 (Actual)
Total Assets	Rs. Cr.	907.41	910.69
Total Income*	Rs. Cr.	89.59	88.02
PAT	Rs. Cr.	4.75	2.64
Networth	Rs. Cr.	84.94	80.19
Return on Average Assets (RoAA)	(%)	0.52	0.29
Return on Net Worth (RoNW)	(%)	5.75	3.20
Total Debt/Tangible Net Worth (Gearing)	Times	-	-
Gross NPA's	(%)	-	-
Net NPA's	(%)	-	-

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

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Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
02-Aug-2019	Bank Guarantee	Short Term	30.00	ACUITE A2+ (Under Rating Watch with Negative Implications)
	Bank Guarantee	Short Term	28.00	ACUITE A2+ (Under Rating Watch with Negative Implications)
	Proposed Bank Guarantee	Short Term	2.00	ACUITE A2+ (Under Rating Watch with Negative Implications)
18-Jun-2019	Bank Guarantee	Short Term	30.00	ACUITE A2+ (Under Rating Watch with Negative Implications)
	Bank Guarantee	Short Term	28.00	ACUITE A2+ (Under Rating Watch with Negative Implications)
	Proposed Bank Guarantee	Short Term	2.00	ACUITE A2+ (Under Rating Watch with Negative Implications)
30-Apr-2019	Bank Guarantee	Short Term	30.00	ACUITE A2+ (Under Rating Watch with Negative Implications)
	Bank Guarantee	Short Term	28.00	ACUITE A2+ (Under Rating Watch with Negative Implications)
	Proposed Bank Guarantee	Short Term	2.00	ACUITE A2+ (Under Rating Watch with Negative Implications)
17-Mar-2018	Bank Guarantee	Short Term	30.00	ACUITE A2+ (Reaffirmed)
	Bank Guarantee	Short Term	28.00	ACUITE A2+ (Reaffirmed)
	Proposed Bank Guarantee	Short Term	2.00	ACUITE A2+ (Reaffirmed)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	30.00	ACUITE A4+ (Downgraded from ACUITE A2+; Issuer not cooperating*)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	28.00	ACUITE A4+ (Downgraded from ACUITE A2+;

					Issuer not cooperating*)
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ (Downgraded from ACUITE A2+; Issuer not cooperating*)

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

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 8,000 credit 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 Mumbai.

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