

Press Release

Sheikh Farid Finvest Limited

September 09, 2020



Rating Update

Total Bank Facilities Rated*	Rs.12.00Cr.#
Bank Facilities Rated*	Rs. 10.00 Cr #
Long Term Rating	ACUITE BB(Downgraded from ACUITE BB+) Issuer not co-operating*
Total FD Related*	Rs 2.00 Cr#
Long Term Rating	ACUITE FBB (Downgraded from ACUITE FBB+) Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the long-term rating to '**ACUITE BB**' (**read as ACUITE double B**) from '**ACUITE BB+**' (**read as ACUITE double B Plus**) on the Rs. 10.00 crore bank facilities of Sheikh Farid Finvest Limited. Acuité has also downgraded the rating to '**ACUITE FBB**' (**read as Acuité F double B**) from '**ACUITE FBB+**' (**read as ACUITE F double B Plus**) on the Rs 2.00 Core Fixed Deposit. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Punjab-based NBFC, SFBL was incorporated in 1996. The company is into asset financing (mainly personal and commercial vehicles with the ticket size ranging from Rs. 60,000 to Rs. 10,00,000 and tenure of 12 to 36 months. The company operates across five districts of Punjab namely Moga, Faridkot, Ferozepur, Muktsar and Bhatinda.

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>
- Complexity Level Of Financial Instruments - <https://www.acuite.in/view-rating-criteria-55.htm>
- Fixed Deposit - <https://www.acuite.in/view-rating-criteria-64.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

The rated entity has not shared the latest Financial Statements despite repeated attempts.

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

None

Any other information

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
30-Sep-2019	Working Capital Limit	Long Term	6.50	ACUITE BB+ Issuer not co-operating*
	Proposed Fund based Limit	Long Term	3.50	ACUITE BB+ Issuer not co-operating*
	Fixed Deposit	Long Term	2.00	ACUITE FBB+ Issuer not co-operating*
05-Oct-2018	Working Capital Limit	Long Term	6.50	ACUITE BB+ Issuer not co-operating*
	Proposed Fund based Limit	Long Term	3.50	ACUITE BB+ Issuer not co-operating*
	Fixed Deposit	Long Term	2.00	ACUITE FBB+ Issuer not co-operating*
03-Mar-2017	Working Capital Limit	Long Term	6.50	ACUITE BB+ Issuer not co-operating*
	Proposed Fund based Limit	Long Term	3.50	ACUITE BB+ Issuer not co-operating*

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

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Working Capital Limit	Not Applicable	Not Applicable	Not Applicable	6.50	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Proposed Fund based Limit	Not Applicable	Not Applicable	Not Applicable	3.50	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Fixed Deposit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE FBB (Downgraded from ACUITE FBB+) Issuer not co-operating*

*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 6,000 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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