

Press Release

Rainbow Stones Private Limited

December 16, 2021



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	2.00		ACUITE A4+ Reaffirmed Issuer not co-operating*
Bank Loan Ratings	15.00	ACUITE BB Reaffirmed Issuer not co-operating*	
Total	17.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of 'ACUITE BB' (read as ACUITE double B) and short-term rating of 'Acuite A4+' (read as Acuite A four plus) on the Rs. 15.00 crore bank facilities of Rainbow stones private limited (RSPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

About the Entity

Hyderabad based, RSPL was incorporated in 2006 and is engaged in processing of granite rough blocks into polished granite slabs and exports primarily to Europe, USA, Australia, to name a few. The company is promoted by Mr. Bathula Venkat Reddy, Mr. Sagar Reddy Chapala and Mr. Gore Linga Reddy who have over three decades of experience in this industry. The processing unit is located at Hosur, Tamil Nadu.

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 noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating continues to be 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.

Liquidity Position

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

Rating Sensitivities

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

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
05 Oct 2020	Proposed Bank Facility	Short Term	2.00	ACUITE A4+ (Reaffirmed)
	Packing Credit	Long Term	8.00	ACUITE BB Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	7.00	ACUITE BB Stable (Reaffirmed)
23 Jul 2019	Proposed Bank Facility	Short Term	2.00	ACUITE A4+ (Reaffirmed)
	Proposed Bank Facility	Long Term	5.00	ACUITE BB Stable (Reaffirmed)
	Letter of Credit	Short Term	2.00	ACUITE A4+ (Withdrawn)
	Packing Credit	Long Term	10.00	ACUITE BB Stable (Reaffirmed)
05 Jun 2018	Packing Credit	Long Term	15.00	ACUITE BB Stable (Reaffirmed)
	Letter of Credit	Short Term	2.00	ACUITE A4+ (Reaffirmed)
10 May 2017	Packing Credit	Long Term	15.00	ACUITE BB Stable (Reaffirmed)
	Letter of Credit	Short Term	2.00	ACUITE A4+ (Reaffirmed)
19 Jan 2016	Packing Credit	Long Term	15.00	ACUITE BB Stable (Assigned)
	Letter of Credit	Short Term	2.00	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Initial Quantum (Rs. Cr.)	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	8.00	8.00	ACUITE BB Reaffirmed Issuer not co- operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	7.00	7.00	ACUITE BB Reaffirmed Issuer not co- operating*
Not Applicable	Not Applicable	Proposed Short Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.00	2.00	ACUITE A4+ Reaffirmed Issuer not co- operating*

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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 8,850 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 Kanjurmarg, Mumbai.

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