

Press Release

Rayala Corporation Private Limited (RCPL)

12 May, 2017

Total Bank Facilities Rated*	Rs.100.00 Cr
Long Term Rating (Indicative)	SMERA B- Issuer not co-operating*

#Refer Annexure for details

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

SMERA has reviewed the long term rating of '**SMERA B-**' (**read as SMERA B minus**) on the Rs.100.00 crore bank facilities of Rayala Corporation Private Limited (RCPL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: SMERA 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 due date.

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

Applicable Criteria

- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>
- Financial Ratios and Adjustments: <https://www.smera.in/criteria-fin-ratios.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). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

RCPL, incorporated in 1948, is promoted by Mr. Ranjit Pratap who possesses over four decades of experience in running business enterprises. Part of the Rayala Group, the company leases out commercial space in Chennai and is also engaged in multiple businesses including manufacture of automobile parts, household appliances, real estate among others.

In FY2014-15, RCPL reported net loss of Rs.1.41 crore on operating income of Rs.13.83 crore, as compared to profit after tax (PAT) of Rs.0.38 crore on operating income of Rs.13.75 crore in the previous year.

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
January 25, 2016	Term Loan	Long Term	70.00	SMERA B- (Assigned)
	Term Loan	Long Term	17.00	SMERA B- (Assigned)
	Proposed Long term loan	Long Term	13.00	SMERA B- (Assigned)

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Term Loan	NA	NA	NA	70.00	SMERA B- Issuer not co-operating*
Term Loan	NA	NA	NA	17.00	SMERA B- Issuer not co-operating*
Proposed Long Term loan	NA	NA	NA	13.00	SMERA B- Issuer not co-operating*

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

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ABOUT SMERA

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