

Press Release

Radnik Auto Exports

August 07, 2018



Rating Update

Total Bank Facilities Rated#	Rs. 8.00 Cr.
Long Term Rating	ACUITE B Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has reviewed the long-term rating of '**ACUITE B**' (**read as ACUITE B**) and short term rating of '**ACUITE A4**' (**read as ACUITE A four**) on the Rs.8.00 crore bank facilities of Radnik Auto Exports. This rating is now an indicative rating and is based on best available information.

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 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/criteria-default.htm>
- Trading Entities -<https://www.acuite.in/view-rating-criteria-6.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 endeavored 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:

The Uttar Pradesh-based Radnik Auto Exports (RAE) is a partnership firm engaged in the manufacture and sale of autosocks (snow tyre cover) and bags (back-packs/shoulder bags). Auto socks are exported mainly to Japan, Norway and European countries while bags are for both, export as well as local sale. The firm supplies bags to reputed brands including Decathlon, Reebok, and Adidas. The installed capacity for bags is around 10 lakh per annum with current utilisation of 65 percent.

For FY2015-16, the firm reported net loss of Rs.3.02 crore on operating income of Rs. 29.99 crore as against net loss of Rs.3.81 crore on operating income of Rs.17.29 crore for FY2014-15. The net worth stood at Rs. 7.31 crore as on 31 March, 2016 as compared to Rs. 5.61 crore as on 31 March, 2015.

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
04-Aug-2017	Cash Credit	Long Term	3.00	ACUITE B / Stable (Reaffirmed)
	Packing Credit	Short Term	5.00	ACUITE A4 (Reaffirmed)
22-Feb-2016	Cash Credit	Long Term	3.00	ACUITE B / Stable (Assigned)
	Packing Credit	Short Term	5.00	ACUITE A4 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE B Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4 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 (*Erstwhile SMERA Ratings 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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