

Press Release
Sri Palani Andavar & Co
April 29, 2024



Rating Reaffirmed, Withdrawn & Issuer Not Cooperating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	4.00	ACUITE B+ Reaffirmed & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	3.00	Not Applicable Withdrawn	-
Bank Ratings Loan	1.00	-	ACUITE A4 Reaffirmed & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	8.00	-	-

Rating Rationale

Acuite has reaffirmed and withdrawn the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs.4.00 Cr. bank facilities and also reaffirmed and withdrawn the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 1.00 Cr. bank facilities of Sri Palani Andavar And Company (SPAAC). Acuite has withdrawn the proposed long-term facilities without assigning any rating on the Rs. 3.00 crore bank facilities of Sri Palani Andavar And Company (SPAAC). The same is withdrawn without assigning any rating as it is a proposed facility. The rating is continues flagged as "Issuer Not-Cooperating" and is based on the best available information.

The rating is being withdrawn on account of the request received from the company and the NOC received from the banker's as per Acuite's policy on withdrawal of ratings as applicable to the respective facility/instrument.

About the Company

Sri Palani Andavar and Company (SPAAC) was established in 2007 and was engaged in yarn trading till 2012. Later in 2014, the firm started to deal with mobile phones. The firm is based in Tiruppur, Tamil Nadu and is a distributor of Panasonic, Videocon and Oppo mobile phone in Tamil Nadu. The proprietor Mr. K.P.K Selvaraj possesses more than a decades experience in the trading business.

Unsupported Rating

Not Applicable

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 non-cooperation by the issuer along with unwillingness to provide information could be a sign of

potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI

regulations and Acuité'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). 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 ratings is based.

Rating Sensitivity

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

Liquidity Position

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

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 17 (Actual)	FY 16 (Actual)
Operating Income	Rs. Cr.	14.90	11.66
PAT	Rs. Cr.	0.13	0.39
PAT Margin	(%)	0.87	3.38
Total Debt/Tangible Net Worth	Times	3.00	1.54
PBDIT/Interest	Times	1.31	3.37

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on <http://www.acuite.in>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
16 Mar 2023	Bank Guarantee/Letter of Guarantee	Short Term	1.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	3.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	4.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
21 Dec 2021	Cash Credit	Long Term	4.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	3.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee/Letter of Guarantee	Short Term	1.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Tamilnad Mercantile Bank Limited	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.00	ACUITE A4 Reaffirmed & Withdrawn Issuer not co-operating*
Tamilnad Mercantile Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	4.00	ACUITE B+ Reaffirmed & Withdrawn Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	3.00	Not Applicable Withdrawn

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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