

Press Release

RKBK Limited

16 December 2019



Rating Update

Total Bank Facilities Rated*	Rs. 13.00 Cr. #
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB/ Stable) Issuer non-cooperating*
Short Term Rating	ACUITE A4+ (Downgraded from ACUITE A3+/ Stable) Issuer non-cooperating*

Refer Annexure for details

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

Acuité has downgraded the rating of RKBK Limited (RKBK) to '**ACUITE BB+** (read as **ACUITE double B plus**) from '**ACUITE BBB**' (read as **ACUITE triple B**) and '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3+**' (read as **ACUITE A three plus**). The rating downgrade is on account of information risk.

RKBK, incorporated in 1976, is an authorized dealer of IOCL. The company deals in petroleum products through 80 depots and 16 petrol pumps in Utter Pradesh, Bihar and Jharkhand. It is also engaged in blending, packaging and selling of tea, tooth paste, detergent powder under the 'Dinkar' brand name.

Analytical Approach:

Acuité has considered the standalone business and financial risk profiles of the RKBK to arrive at this rating.

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>
- Financial Ratios And Adjustments- <https://www.acuite.in/criteria-fin-ratios.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.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). Acuite 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 - 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
15- October-2019	Cash Credit	Long Term	12.50	ACUITE BBB Issuer not co-operating*
	Bank Guarantee	Short Term	0.50	ACUITE A3+ Issuer Not Co-operating*
26-July- 2018	Cash Credit	Long Term	12.50	ACUITE BBB Issuer not co-operating*
	Bank Guarantee	Short Term	0.50	ACUITE A3+ Issuer Not Co-operating*
08- July-2017	Cash Credit	Long Term	12.50	ACUITE BBB Issuer not co-operating*
	Bank Guarantee	Short Term	0.50	ACUITE A3+ Issuer Not Co-operating*

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.50	ACUITE BB+(Downgrade Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE A4+(Downgrade Issuer not co-operating*

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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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