

Press Release
RKBK Limited
May 27, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|---------------------|--|--|
| Bank Loan Ratings | 0.50 | - | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Bank Loan Ratings | 12.50 | ACUITE BB- Downgraded Issuer not co-operating* | - |
| Total Outstanding Quantum (Rs. Cr) | 13.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**Acuite BB**' (read as **ACUITE double B**) and reaffirmed its short-term rating of '**ACUITE A4+**' (read as **ACUITE A Four Plus**) on the Rs.13.00 Crore bank facilities of RKBK Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Kolkata based RKBK Limited, incorporated in 1976, is an authorized dealer of IOCL. The company deals in petroleum products through 80 depots and 16 petrol pumps in Uttar Pradesh, Bihar and Jharkhand. It is also engaged in blending, packaging and selling of tea, tooth paste, detergent powder under the 'Dinkar' brand name. Directors of RKBK Limited are Brijendra Kumar Poddar, Chandra Kumar Kanoria, Krishna Neotia, Yashwardhan Poddar, Ashok Kumar Goel.

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. This rating is, therefore, being 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.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Status of non-cooperation with previous CRA

None.

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|---|
| 22 Feb 2021 | Cash Credit | Long Term | 12.50 | ACUITE BB (Downgraded and Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 0.50 | ACUITE A4+ (Issuer not co-operating*) |
| 16 Dec 2019 | Cash Credit | Long Term | 12.50 | ACUITE BB+ (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 0.50 | ACUITE A4+ (Issuer not co-operating*) |
| 18 Oct 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 Jul 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 Jul 2017 | Cash Credit | Long Term | 12.50 | ACUITE BBB Stable (Reaffirmed) |
| | Bank Guarantee | Short Term | 0.50 | ACUITE A3+ (Reaffirmed) |
| 28 Mar 2016 | Term Loan | Long Term | 0.89 | ACUITE BBB Stable (Assigned) |
| | Cash Credit | Long Term | 15.00 | ACUITE BBB Stable (Assigned) |
| | Proposed Cash Credit | Long Term | 0.55 | ACUITE BBB Stable (Assigned) |
| | Bank Guarantee | Short Term | 0.50 | ACUITE A3+ (Assigned) |
| | Derivative Exposure | Short Term | 0.20 | ACUITE A3+ (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|---------------------|----------------|------------------------------------|------------------|----------------|----------------|-------------------|--|
| State Bank of India | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 0.50 | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| State Bank of India | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 12.50 | ACUITE BB- Downgraded Issuer not co-operating* |

Contacts

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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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