

Press Release

Shantharam Trading Corporation

March 28, 2022



Rating Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---------------------------------------|---------------------|---|----------------------|
| Bank Loan Ratings | 5.00 | ACUITE B+ Reaffirmed Issuer not co-operating* | - |
| Total Outstanding Quantum (Rs. Cr) | 5.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs.5.00 crore bank facilities of Shantharam Trading Corporation. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Shantharam Trading Corporation established in 1948 is a Tamil Nadu based partnership firm engaged in processing and trading of spices and pluses. The products include Coriander seeds (Dhaniya), Chilli, Black gram (Urad Dal), Green gram (Moong Dal), Green peas, Lentils (Masoor Dal). The firm caters to Reliance Retail Limited, Aditya Birla Retail Limited, Avenue Supermarts Ltd (Dmart), Future Group (Big Bazaar), State government, APMC market in Kerala and Tamil Nadu. The partners, Mr. K Rajaram, Mr. Prathap Singh and Mr Yogesh possess extensive experience in the aforementioned line of business.

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 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.

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 endeavoured 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 Not Applicable

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

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

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- 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 |
|-------------|--------------------------------|-----------|-----------------|---|
| 30 Dec 2020 | Secured Overdraft | Long Term | 5.00 | ACUITE B+ (Downgraded and Issuer not co-operating*) |
| 18 Oct 2019 | Secured Overdraft | Long Term | 5.00 | ACUITE BB- Stable (Reaffirmed) |
| 27 Jul 2018 | Secured Overdraft | Long Term | 5.00 | ACUITE BB- Stable (Reaffirmed) |
| 10 May 2017 | Secured Overdraft | Long Term | 5.00 | ACUITE BB- Stable (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|----------------------------------|----------------|------------|------------------|----------------|----------------|-------------------|---|
| Tamilnad Mercantile Bank Limited | Not Applicable | Overdraft | Not Applicable | Not Applicable | Not Applicable | 5.00 | ACUITE B+ Reaffirmed Issuer not co- operating* |

Contacts

| Analytical | Rating Desk |
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About Acuité Ratings & Research

Acuité Ratings & Research 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 8,850 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 Kanjurmarg, Mumbai.

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