

Press Release

GENDALAL HAZARILAL & COMPANY

October 26, 2017

Rating Update



Total Bank Facilities Rated*	Rs. 13.50 Cr. #
Long Term Rating	SMERA BBB- Issuer not co-operating*
Short Term Rating	SMERA A3 Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed long-term rating of '**SMERA BBB-**' (**read as SMERA BBB minus**) and short-term rating of '**SMERA A3**' (**read as 'SMERA A three'**) on the Rs. 13.50 crore bank facilities of Gendalal Hazarilal and Company (GHAC). This is an indicative rating.

Non-cooperation by the issuer/borrower

SMERA 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 required documents before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Trading entities - <https://www.smera.in/criteria-trading.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). SMERA endeavoured to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information on which the indicative credit rating is based.

About the rated entity

GHAC is a Madhya Pradesh-based partnership firm established in 1998 by Sri Rakesh Kumar Rai and Sri Akhilesh Kumar Rai. The firm is engaged in the retailing of country made and Indian Made Foreign Liquor.

For FY2015, GHAC reported net profit of Rs.4.66 crore on operating income of Rs.115.22 crore as against net profit of Rs 3.42 crore on operating income of Rs.96.44 crore in the previous year.

Rating history (last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
08-Aug-2016	Cash Credit	Long Term	INR 6	SMERA BBB- / Stable
	Bank Guarantee	Short Term	INR 7.41	SMERA A3
	Proposed Long Term Loan	Long Term	INR 0.09	SMERA BBB- / Stable

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.00	SMERA BBB- Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	7.41	SMERA A3 Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	0.09	SMERA BBB- Issuer not co-operating*

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

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ABOUT SMERA

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