

## Press Release

V.R. Nachimuthu

August 24, 2020



### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs. 20.00 Cr. #
<b>Long Term Rating</b>	ACUITE B+ Issuer not co-operating* (Downgraded from ACUITE BB-/Stable)

# Refer Annexure for details

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

### Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE B+**' (**read as ACUITE B plus**) from '**ACUITE BB-/Stable (read as ACUITE double B minus)**' on the Rs.20.00 crore bank facilities of V R Nachimuthu. This rating is now an indicative rating and is downgraded on account of information risk.

V R Nachimuthu, part of the Coimbatore-based Sakthi Group is a real estate firm, established in September 1962 by the Late Mr. V R Nachimuthu, the founder. The firm constructs luxury villas. V R Nachimuthu has undertaken development of a residential project, 'Ärum Lily' at Kalapatti, Coimbatore.

### 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 the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an 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.

### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Real Estate Entities - <https://www.acuite.in/view-rating-criteria-63.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). Acuité endeavoured 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 requests.

### 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
June 04, 2019	Term Loan	Long Term	20.00	ACUITE BB-/Stable (Upgraded from ACUITE B/Stable)
16 March, 2018	Term Loan	Long Term	8.00	ACUITE B+/Stable (Upgraded from ACUITE B/Stable)
	Proposed Term Loan	Long Term	12.00	ACUITE B+/Stable (Upgraded from ACUITE B/Stable)
15 Dec, 2017	Proposed Term Loan	Long Term	20.00	ACUITE B (Issuer not cooperating)*

### \*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Term Loan	Not Available	Not Applicable	Not Available	20.00	ACUITE B+ Issuer not co-operating* (Downgraded from ACUITE BB-/Stable)

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

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### About Acuité Ratings & Research:

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