

## Press Release

### Saraswathy Timbers and Saw Mills

May 17, 2019

### Rating Update



|                                     |                                       |
|-------------------------------------|---------------------------------------|
| <b>Total Bank Facilities Rated*</b> | Rs. 9.20 Cr. #                        |
| <b>Long Term Rating</b>             | ACUITE B<br>Issuer not co-operating*  |
| <b>Short Term Rating</b>            | ACUITE A4<br>Issuer not co-operating* |

# Refer Annexure for details

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

Acuite has reviewed long-term rating of '**ACUITE B**' (read as **ACUITE B**) and short term rating of '**ACUITE A4**' (read as '**ACUITE A four**') on the Rs. 9.20 crore bank facilities of Saraswathy Timbers and Saw Mills (STSM). This rating is now an indicative rating and is based on best available information.

STSM is a partnership firm established in 1988 by Mr. M.K.V.K. Paulrajan, Mrs. P. Vasanthi, Mr. P. Nithyanandarajan, Mr. P. Thangaprabu and Mr. N. Dinesh Kandasamy. The firm is a part of MKVK Group engaged in trading of timber. The firm is located at Pavoorchatram (Tamil Nadu).

#### 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.

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

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-6.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 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.

#### Status of non-cooperation with previous CRA (if applicable)

Not Applicable

#### Any other information

Acuite 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                             |
|-------------|---------------------------------|------------|--------------------------|---------------------------------------------|
| 12-Mar-2018 | Cash Credit                     | Long Term  | 2.00                     | ACUITE B / Stable (Reaffirmed)              |
|             | Bank Guarantee                  | Short Term | 0.10                     | ACUITE A4 (Reaffirmed)                      |
|             | Letter of Credit                | Short Term | 7.10                     | ACUITE A4 (Reaffirmed)                      |
| 19-Jan-2017 | Cash Credit                     | Long Term  | 2.00                     | ACUITE B / Stable (Assigned and Reaffirmed) |
|             | Bank Guarantee                  | Short Term | 0.10 (revised from 0.20) | ACUITE A4 (Reaffirmed)                      |
|             | Letter of Credit                | Short Term | 7.10                     | ACUITE A4 (Assigned and Reaffirmed)         |
| 02-Feb-2016 | Cash Credit                     | Long Term  | 1.90                     | ACUITE B / Stable (Reaffirmed)              |
|             | Bank Guarantee#                 | Short Term | 0.20                     | ACUITE A4 (Assigned)                        |
|             | Foreign Letter of Credit^       | Short Term | 7.00                     | ACUITE A4 (Reaffirmed)                      |
| 24-Mar-2015 | Cash Credit                     | Long Term  | 1.00                     | ACUITE B / Stable (Assigned)                |
|             | Bill Discounting                | Short Term | 0.10                     | ACUITE A4 (Assigned)                        |
|             | Letter of Credit                | Short Term | 8.00                     | ACUITE A4 (Assigned)                        |

^includes sublimit of Inland Letter of Credit of Rs.3.00 crore

#includes sublimit of cheque purchases of Rs.0.10 crore

### #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 | 2.00                       | ACUITE B<br>Issuer not co-operating*  |
| Bank Guarantee         | Not Applicable   | Not Applicable | Not Applicable | 0.10                       | ACUITE A4<br>Issuer not co-operating* |
| Letter of Credit       | Not Applicable   | Not Applicable | Not Applicable | 7.10                       | ACUITE A4<br>Issuer not co-operating* |

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

## Contacts

| Analytical                                                                                                                                                                                                                                                                                                                          | Rating Desk                                                                                                                             |
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### About Acuite Ratings & Research:

Acuite 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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