



Press Release

Maghalakshmi Plaza

April 21, 2020

Rating Update

Total Bank Facilities Rated*	Rs. 66.35 crore
Long Term Rating	ACUITE B+ (Downgraded; Issuer not co-operating)

* Refer Annexure for details

Rating Rationale

Acuite has downgraded the long-term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) to '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs. 66.35 crore bank facilities of MAGHALAKSHMI PLAZAA. This rating is now an indicative rating and is downgraded on the basis of information risk.

Maghalakshmi Plaza (MP), incorporated as a partnership firm in 2009, runs its own shopping mall in Villupuram (Tamil Nadu). It has various business segments which include grocery, textile, restaurants, hotel, theatre and others. Mall is spread on an area of ~1 lakh sq. ft. owned by the firm. It is managed by its partners, Mr. Ramesh K J, Mr. Prakash J, Mr. Venkatesh J and Mr. Kuber J and their sons. Their family is engaged in retail business for the past 100 years. The firm also has godown at about 1.3 kms from the mall which is of the size of 7000 sq. ft. and is fully utilised.

Analytical Approach

Acuite has considered the standalone business and financial risk profile of MP to arrive at the rating.

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

- Entities in Infrastructure Sector- <https://www.acuite.in/view-rating-criteria-51.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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 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.

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

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.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
February 01, 2019	Term Loan I	Long-Term	2.50	ACUITE BB- (Withdrawn)
	Term Loan II	Long-Term	17.50	ACUITE BB-/ Stable (Reaffirmed)
	Term Loan III	Long-Term	13.60	ACUITE BB-/ Stable (Reaffirmed)
	Term Loan IV	Long-Term	6.40	ACUITE BB-/ Stable (Reaffirmed)
	Term Loan V	Long-Term	0.15	ACUITE BB-/ Stable (Assigned)
	Term Loan VI	Long-Term	4.60	ACUITE BB-/ Stable (Assigned)
	Secured Overdraft	Long-Term	23.00	ACUITE BB-/ Stable (Reaffirmed)
	Proposed Bank Facilities	Long-Term	1.00	ACUITE BB-/ Stable (Assigned)
April 05, 2018	Term Loan I	Long-Term	2.50	ACUITE BB- (Indicative)
	Term Loan II	Long-Term	17.50	ACUITE BB- (Indicative)
	Term Loan III	Long-Term	13.60	ACUITE BB- (Indicative)
	Term Loan IV	Long-Term	6.40	ACUITE BB- (Indicative)
	Secured Overdraft	Long-Term	10.00	ACUITE BB- (Indicative)
February 13, 2017	Term Loan I	Long-Term	2.50	ACUITE BB-/ Stable (Assigned)
	Term Loan II	Long-Term	17.50	ACUITE BB-/ Stable (Assigned)

	Term Loan III	Long-Term	13.60	ACUITE BB-/ Stable (Assigned)
	Term Loan IV	Long-Term	6.40	ACUITE BB-/ Stable (Assigned)
	Secured Overdraft	Long-Term	10.00	ACUITE BB-/ Stable (Assigned)

***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 II	Not applicable	Not applicable	Not applicable	17.60	ACUITE B+ (Downgraded; Issuer not-cooperating*)
Term Loan III	Not applicable	Not applicable	Not applicable	13.60	ACUITE B+ (Downgraded; Issuer not-cooperating*)
Term Loan IV	Not applicable	Not applicable	Not applicable	6.40	ACUITE B+ (Downgraded; Issuer not-cooperating*)
Term Loan V	Not applicable	Not applicable	Not applicable	0.15	ACUITE B+ (Downgraded; Issuer not-cooperating*)
Term Loan VI	Not applicable	Not applicable	Not applicable	4.60	ACUITE B+ (Downgraded; Issuer not-cooperating*)
Secured Overdraft	Not applicable	Not applicable	Not applicable	23.00	ACUITE B+ (Downgraded; Issuer not-cooperating*)
Proposed Bank Facilities	Not applicable	Not applicable	Not applicable	1.00	ACUITE B+ (Downgraded; Issuer not-cooperating*)

Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuited.in Charu Mahajan Rating Analyst - Rating Operations Tel: 011-49731313 charu.mahajan@acuited.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuited.in

About Acuité Ratings & Research:

Acuité 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.

Disclaimer: *An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.*