

Press Release

Raja Enterprises

June 21, 2018

Rating Reviewed



Total Bank Facilities Rated*	Rs. 16.90 Cr.#
Long Term Rating	ACUITE B- Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has reviewed long-term rating of '**ACUITE B-**' (read as **ACUITE B minus**) and short term rating of '**ACUITE A4 (read as ACUITE A four)**' on the Rs.16.90 crore bank facilities of Raja Enterprises (RE). This rating is now an indicative rating and is based on best available information.

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 due date.

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

Applicable Criteria

- Trading Entities: <https://www.acuite.in/criteria-trading.htm>
- Default Recognition: <https://www.acuite.in/criteria-default.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 endeavored 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 Company:

Raja Enterprises (RE) is a partnership firm that was established in 1983. The firm presently has 3 partners who are all family members. The business is primarily managed by Mr. Gnanaraj and his two sons. The partner's family has been in the business of distributing ITC products in Trichy district (Tamil Nadu) since 1958. The products that are distributed includes cigarettes such as Classic, Gold Flake, Navy Cut and food products such as Aashirvaad Atta, Sunfeast Biscuits, BINGO, among others.

For FY2015-16, RE has reported profit after tax (PAT) of Rs.0.26 crore on operating income of Rs.48.73 crore as against PAT of Rs.0.25 crore on operating income of Rs.172.72 crore in the previous year.

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. Crore)	Ratings/Outlook
12-Apr-2017	Cash Credit	Long Term	16.00	ACUITE B-/Stable (Assigned)
	Stand by Line of credit	Short Term	0.90	ACUITE A4 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	16.00	ACUITE B- (Indicative)
Stand by Line of credit	Not Applicable	Not Applicable	Not Applicable	0.90	ACUITE A4 (Indicative)

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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.

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