

Press Release

Ritika Systems Private Limited

January 07, 2021



Rating Update

Total Bank Facilities Rated*	Rs.20.00 Cr.#
Long Term Rating	ACUITE B+ Downgraded & Issuer not co-operating*
Short Term Rating	ACUITE A4 Downgraded & Issuer not co-operating*

#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-**' (read as ACUITE double B minus) and the short term rating to '**ACUITE A4**' (read as ACUITE A four) from '**ACUITE A4+**' (read as ACUITE A four plus) on the Rs.20.00 crore bank facilities of Ritika Systems Private Limited (RSPL). The rating is flagged to be "Issuer Not-Cooperating" and is downgraded on account of information risk.

Delhi-based RSPL was incorporated in 1985 and headed by Mr. Ashok Kumar Wadhwa and Mr. Samarth Wadhwa the company is engaged in the designing, manufacturing, installation and maintenance of solar photovoltaic systems, solar lanterns, and solar home lighting systems. The manufacturing facilities of the company are located at Noida and Neemrana (Rajasthan) with the installed capacity of 10 megawatts and 30 megawatts respectively.

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.

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

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.

Applicable Criteria

- Default Recognition -<https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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.

Liquidity Indicators

"No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

About the Rated Entity- Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

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

None

Any other information

Not Applicable

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
24-Oct-2019	Cash Credit	Long term	6.50	ACUITE BB-/Stable (Downgraded from ACUITE BB+/Stable)
	Proposed bank facilities	Long term	3.50	ACUITE BB-/Stable (Assigned)
	Bank Guarantee	Short term	10.00 (Revised from Rs. 6.00 Cr.)	ACUITE A4+ (Reaffirmed)
18-Mar-2019	Term Loan	Long term	0.24	ACUITE BB+ Issuer not cooperating*
	Cash Credit	Long term	6.50	ACUITE BB+ Issuer not cooperating*
	Bank Guarantee	Short term	6.00	ACUITE A4+ Issuer not cooperating*
	Proposed Cash Credit	Long term	3.38	ACUITE BB+ Issuer not cooperating*
	Proposed Bank Guarantee	Short term	3.88	ACUITE A4+ Issuer not cooperating*
25-Jan-2018	Term Loan	Long term	0.24	ACUITE BB+ / Stable (Assigned)
	Cash Credit	Long term	6.50	ACUITE BB+ / Stable (Assigned)
	Bank Guarantee	Short term	6.00	ACUITE A4+ (Assigned)
	Proposed Cash Credit	Long term	3.38	ACUITE BB+ / Stable (Assigned)
	Proposed Bank Guarantee	Short term	3.88	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	6.50	ACUITE B+ (Indicative & Downgraded)
Proposed bank facilities	Not Applicable	Not Applicable	Not Applicable	3.50	ACUITE B+ (Indicative & Downgraded)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4 (Indicative & Downgraded)

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

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research 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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