

Press Release

Akshara Enterprises Private Limited

October 25, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	15.00	ACUITE BB- Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	20.00	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	35.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) and the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 35.00 crore bank facilities of Akshara Enterprises Private Limited (AEPL). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

About the Company

Akshara Enterprises Private Limited (AEPL), a proprietary firm was set up in 2008 by Mr. Sreedhar Rao. In February 2017, Akshara Enterprises was incorporated as a Private limited company under the chairmanship of Mr Sudheer Kumar and directorship of Mr. Sreedhar Rao, Mr. M Sudheer Kumar, Mr .M Pradeep, Mr. B Sirish and Chradras Enterprise. AEPL is an IT hardware dealer and distributor for renowned brands such as Dell, HP, Lenovo and Acer. The company also provides maintenance services along with networking, internet connectivity, furniture and interiors. The registered office of the company is located in Hyderabad, Telangana.

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 the due date.

Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with 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 Acuite's policies.

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 Rated Entity - Key Financials

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

Rating Sensitivity

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
27 Jul 2021	Proposed Long Term Loan	Long Term	5.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	20.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
05 May 2020	Proposed Long Term Loan	Long Term	5.00	ACUITE BB (Issuer not co-operating*)
	Bank Guarantee	Short Term	20.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE BB (Issuer not co-operating*)
11 Mar 2019	Proposed Long Term Loan	Long Term	5.00	ACUITE BB (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE BB (Issuer not co-operating*)
	Bank Guarantee	Short Term	20.00	ACUITE A4+ (Issuer not co-operating*)
15 Dec 2017	Cash Credit	Long Term	10.00	ACUITE BB Stable (Assigned)
	Bank Guarantee	Short Term	20.00	ACUITE A4+ (Assigned)
	Proposed Long Term Loan	Long Term	5.00	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Karur Vysya Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Karur Vysya Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	9.00	ACUITE BB- Reaffirmed Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE BB- Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB- Reaffirmed Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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