

Press Release

Raadhika Shoecrafts Private Limited

December 13, 2019



Rating Update

| | |
|-------------------------------------|---|
| Total Bank Facilities Rated# | Rs.17.57 Cr. |
| Long Term Rating | ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not cooperating*; Withdrawn |
| Short Term Rating | ACUITE A4+ (Downgraded from ACUITE A2) Issuer not cooperating*; Withdrawn |

Refer Annexure for details

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

Rating Rationale

Acuité has downgraded and withdrawn the long term rating of '**ACUITE BB+ (read as ACUITE Double B plus)**' from **ACUITE BBB-** and short term rating of '**ACUITE A4+ (read as ACUITE four plus)**' from **ACUITE A3** to the 17.57 crore bank facilities of Raadhika Shoecrafts Private Limited (RSPL). This rating is now downgraded withdrawn, indicative on account of information risk.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

RSPL is a Chennai-based company incorporated in January 2014 by Directors, Mr. Jatinder Singh and Mrs. Raadhika Singh, among others. The company is engaged in the manufacture of luxury leather shoes and leather uppers primarily for export. The manufacturing facility is located at Guindy in Chennai (Tamil Nadu).

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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with 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.

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).

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

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.

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|-------------|---------------------------------|------------|------------------|--------------------------------|
| 08-Mar-2019 | Foreign Currency Term Loan | Long Term | 3.57 | ACUITE BBB- (Indicative) |
| | PC/PCFC | Short Term | 14.00 | ACUITE A3 |
| 15-Dec-2017 | Foreign Currency Term Loan | Long Term | 3.57 | ACUITE BBB / Stable (Assigned) |
| | PC/PCFC | Long Term | 14.00 | ACUITE A3 (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 |
|----------------------------|------------------|----------------|----------------|-----------------------------|---|
| Foreign Currency Term Loan | Not Applicable | Not Applicable | Not Applicable | 3.57 | ACUITE BB+ (Downgraded from ACUITE BBB- Issuer not cooperating*; Withdrawn) |
| PC/PCFC | Not Applicable | Not Applicable | Not Applicable | 14.00 | ACUITE A4+ (Downgraded from ACUITE A3 Issuer not cooperating*; Withdrawn) |

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

Contacts

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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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