

## Press Release

### Class Restaurant

January 11, 2021



### Rating Update

|                                     |                                       |
|-------------------------------------|---------------------------------------|
| <b>Total Bank Facilities Rated*</b> | Rs.10.00 Cr. #                        |
| <b>Long Term Rating</b>             | ACUITE B-<br>Issuer not co-operating* |

# Refer Annexure for details

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

Acuité has reviewed the long term rating of '**ACUITE B-**' (**read as ACUITE B minus**) on the Rs.10.00 crore bank facilities of Class Restaurant. This rating is now an indicative rating and is based on the best available information.

The Class Restaurant was established in 1999 under the proprietorship of Mr. Surendra Surana. The firm runs a restaurant which provides Gujarati, Marwadi and Punjabi thali. The restaurant has total seating capacity of 120 people and is covered in 1800 sq. ft. carpet area. The restaurant is situated in Juhu, Mumbai.

#### 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.

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.

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

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Entities in Service Sector - <https://www.acuite.in/view-rating-criteria-50.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 Position

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

#### Rating Sensitivities

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

#### About the Rated Entity - Key Financials

|                               | Unit    | FY20 (Provisional) | FY19 (Actual) |
|-------------------------------|---------|--------------------|---------------|
| Operating Income              | Rs. Cr. | 1.01               | 0.91          |
| PAT                           | Rs. Cr. | 0.32               | 0.03          |
| PAT Margin                    | (%)     | 31.45              | 3.68          |
| Total Debt/Tangible Net Worth | Times   | (1.10)             | (1.10)        |
| PBDIT/Interest                | Times   | 61.03              | 2.27          |

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

Not Applicable

**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 (Up to last three years)**

| Date        | Name of Instrument / Facilities | Term      | Amount (Rs. Cr.) | Ratings/Outlook               |
|-------------|---------------------------------|-----------|------------------|-------------------------------|
| 10-Oct-2019 | Secured Overdraft               | Long Term | 9.00             | ACUITE B-/Stable (Reaffirmed) |
|             | Proposed Long Term Loan         | Long Term | 1.00             | ACUITE B-/Stable (Reaffirmed) |
| 05-Jan-2019 | Secured Overdraft               | Long Term | 9.00             | ACUITE B-/Stable (Reaffirmed) |
|             | Proposed Long Term Loan         | Long Term | 1.00             | ACUITE B-/Stable (Reaffirmed) |

**#Annexure – Details of instruments rated**

| Name of the Facilities  | Date of Issuance | Coupon Rate    | Maturity Date  | Size of the Issue (Rs. Cr.) | Ratings/Outlook                      |
|-------------------------|------------------|----------------|----------------|-----------------------------|--------------------------------------|
| Secured Overdraft       | Not Applicable   | Not Applicable | Not Applicable | 9.00                        | ACUITE B-<br>Issuer Not Cooperating* |
| Proposed Long Term Loan | Not Applicable   | Not Applicable | Not Applicable | 1.00                        | ACUITE B-<br>Issuer Not Cooperating* |

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

**Contacts**

| Analytical  | Rating Desk  |
|---|--|
| Aditya Gupta<br>Vice President<br>Tel:022-49294041<br><a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a><br><br>Stuti Fomra<br>Analyst - Rating Operations<br>Tel: 011-49731309<br><a href="mailto:stuti.fomra@acuite.in">stuti.fomra@acuite.in</a> | Varsha Bist<br>Senior Manager - Rating Desk<br>Tel: 022-49294011<br><a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a> |

**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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