

Press Release

Khyati Advisory Services Limited

January 07, 2021

Rating Withdrawn



Total Bank Facilities Rated*	Rs. 10.00 Cr.
Long Term Rating	ACUITE BB (Downgraded and Withdrawn; Indicative)
Short Term Rating	ACUITE A4+ (Withdrawn; Indicative)

* Refer Annexure for details

Rating Rationale

Acuite has withdrawn and downgraded the long term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BB+**' (read as **ACUITE B plus**) and withdrawn the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 10.00 crore bank facilities of Khyati Advisory Services Limited (KASL). The rating continues to be an indicative rating and is based on the best available information.

The rating has been withdrawn on account of request received from the company and NOC received from the banker as per Acuite's policy. The rating is downgraded based on information risk and non-submission of relevant information sought from the company for review of ratings.

KASL, based at Mumbai, is an ISO 9001:2008 certified one star export house which was incorporated in 1993. The company is promoted by Mr. Ramesh Rughani (Managing Director), Mr. Hiren Raithatha and Mr. Paresh Rughani. The company is engaged in the exports of confectionaries, general provisions, spices and pulses among others to UAE, UK, Japan and USA, to name a few.

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.

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). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite 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

	Unit	FY20 (Provisional)	FY19 (Actual)
Operating Income	Rs. Cr.	49.95	43.88
PAT	Rs. Cr.	0.51	0.44
PAT Margin	(%)	1.02	1.01
Total Debt/Tangible Net Worth	Times	4.15	2.74
PBDIT/Interest	Times	2.38	2.16

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

Not Applicable

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>

Note on complexity levels of the rated instrument

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
23-Mar-2019	PC/PCFC	Short Term	9.80	ACUITE A4+ (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.20	ACUITE BB+/ Stable (Reaffirmed)
28-Dec-2017	Proposed Long Term Loan	Long Term	2.50	ACUITE BB+/ Stable (Assigned)
	Packing Credit	Short Term	5.00	ACUITE A4+ (Assigned)
	Bills Discounting	Short Term	2.50	ACUITE A4+ (Assigned)

*Sub Limits includes EPC/ Foreign PCFC/CBG of Rs.5.50 crore, PSFC of Rs.3.30 crore and FBP (Bills discounting) of Rs.3.00 crore.

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
PC/PCFC	Not Available	Not Applicable	Not Available	9.80*	ACUITE A4+ (Withdrawn; Indicative)
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.20	ACUITE BB (Downgraded & withdrawn; Indicative)

*Sub Limits includes EPC/ Foreign PCFC/CBG of Rs.5.50 crore, PSFC of Rs.3.30 crore and FBP (Bills discounting) of Rs.3.00 crore.

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 8,495 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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