

Press Release

Shree Aarti Enterprises

January 30, 2020



Rating Update

Total Bank Facilities Rated*	Rs.20.50 Cr. #
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-/Stable) Issuer not co-operating*

Refer Annexure for details

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

Acuité has downgraded the long-term rating to '**ACUITE B+ (read as ACUITE B plus)**' from '**ACUITE BB- (read as ACUITE double B minus)**' on the Rs.20.50 crore bank facilities of Shree Aarti Enterprises (SAE). The rating is now an indicative rating and is downgraded on account of information risk.

The Indore based, Shree Aarti Enterprises (SAE) was incorporated in 1998 as a partnership firm by four family members. The firm is engaged in ginning and pressing of cotton, cotton seed oil extraction and wholesale trading of food grains. The operations are headed by Mr. Abhishek Goyal who possess more than two decades of work experience in said line of business. At present, the firm has installed oil extraction capacity of 17 MT per day.

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.

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 requests.

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

Not Applicable

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
22-Nov-2018	Cash Credit	Long Term	12.00	ACUITE BB-/ Stable (Reaffirmed)
	Term Loan	Long Term	2.04	ACUITE BB-/ Stable (Reaffirmed)
	Proposed Term Loan	Long Term	3.50	ACUITE BB-/ Stable (Reaffirmed)
	Proposed Bank Facilities	Long Term	2.96	ACUITE BB-/ Stable (Reaffirmed)
17-Mar-2018	Cash Credit	Long Term	12.00	ACUITE BB-/ Stable (Upgraded)
	Term Loan	Long Term	2.29	ACUITE BB-/ Stable (Upgraded)
	Proposed Bank Facilities	Long Term	0.71	ACUITE BB-/ Stable (Upgraded)
30-Jan-2018	Cash Credit	Long Term	9.00	ACUITE B+ (Indicative)
	Term Loan	Long Term	3.00	ACUITE B+ (Indicative)
30-Dec-2016	Cash Credit	Long Term	9.00	ACUITE B+/ Stable (Assigned)
	Term Loan	Long Term	3.00	ACUITE B+/ Stable (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	12.00	ACUITE B+ (Downgraded from ACUITE BB-/Stable) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	2.04	ACUITE B+ (Downgraded from ACUITE BB-/Stable) Issuer not co-operating*
Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	3.50	ACUITE B+ (Downgraded from ACUITE BB-/Stable) Issuer not co-operating*
Proposed Bank Facilities	Not Applicable	Not Applicable	Not Applicable	2.96	ACUITE B+ (Downgraded from ACUITE BB-/Stable) Issuer not co-operating*

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

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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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