

Press Release

Guiness Securities Limited

April 25, 2023



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1.00	ACUITE D Downgraded Issuer not co-operating*	-
Bank Loan Ratings	11.00	-	ACUITE D Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	12.00	-	-

Rating Rationale

Acuite has downgraded its long term rating to '**ACUITE D**' (read as **ACUITE D**)' from '**ACUITE B+**' (read as **ACUITE B plus**) and the short term rating to '**ACUITE D**' (read as **ACUITE D**)' from '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.12.00 crore bank facilities of Guinness Securities Limited. The rating continues to be flagged as "Issue Not Cooperating" and is on account of information risk. The downgrade is on the account of delays in debt servicing as recognised from publicly available information

About the Company

Guinness Securities Limited (GSL) was established in the year of 1986, as a Kolkata-based share broking company promoted by Mr. Kamal Kumar Kothari. The company is engaged in providing financial services such as share broking, Depository Participant services, Future & Option trading and Mutual Funds, among others. The company is a member of the National Stock Exchange, Bombay Stock Exchange, Multi Commodity Exchange apart from being a depository participant of NSDL and CDSL.

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 due date. This rating continues to be flagged as "Issuer notcooperating", 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 endeavored 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.

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

Other factors affecting rating

None

Status of non-cooperation with previous CRA

None

Any other information

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
27 Feb 2023	Proposed Cash Credit	Long Term	0.50	ACUITE B+ (Issuer not co-operating*)
	Cash Credit	Long Term	0.50	ACUITE B+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	6.00	ACUITE A4 (Issuer not co-operating*)
	Bank Guarantee	Short Term	5.00	ACUITE A4 (Issuer not co-operating*)
01 Dec 2021	Bank Guarantee	Short Term	6.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	5.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	0.50	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Proposed Cash Credit	Long Term	0.50	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	5.00	ACUITE A4+ (Issuer not co-operating*)

01 Sep 2020	Proposed Cash Credit	Long Term	0.50	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	0.50	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	6.00	ACUITE A4+ (Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	5.00	ACUITE D Downgraded Issuer not co-operating*
Punjab National Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	6.00	ACUITE D Downgraded Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	0.50	ACUITE D Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	0.50	ACUITE D Downgraded 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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