

Press Release

Atul Sharma

October 13, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 16.00 Cr #
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-) 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 BB minus**) on the Rs.16.00 crore bank facilities of Atul Sharma. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Established in 1998, Atul Sharma (AS) commenced excavation and trading of granites through Peethambaram Stones. Later in 2008, it started its wind power project and later in 2013, it came up with its solar power project. The firm currently has two wind power project with a cumulative installed capacity of 3800 KW. It supplies to Tamil Nadu Generation & Distribution Corporation Ltd (three plants of 800 KW each) and Gujarat Urja Vikas Nigam Limited (two plants of 800 KW & 600 KW each) respectively.

Further, the firm also has three solar power projects with a cumulative installed capacity of 4.25 MW. It supplies to the Pratibha Syntex Limited from the 1MW project at Berachah, MP, H&R Johnson (India) (a division of Prism Cement Limited) from the 1.25 MW project at Baroda, MP and Daawat Foods Limited from the 2MW project at Mandsaur, MP. The firm has entered into separate Power Purchase Agreements with these entities and distribute through M.P. State Electricity Board.

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.

This rating continues to be 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.

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)

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.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
24 July, 2019	Term Loan	Long Term	6.00	ACUITE BB- Issuer not co-operating*
	Term Loan	Long Term	7.00	ACUITE BB- Issuer not co-operating*
	Proposed Long Term	Long Term	3.00	ACUITE BB- Issuer not co-operating*
28 May, 2018	Term Loan	Long Term	6.00	ACUITE BB-/ Stable (Assigned)
	Term Loan	Long Term	7.00	ACUITE BB-/ Stable (Assigned)
	Proposed Long Term Loan	Long Term	3.00	ACUITE BB-/ 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
Term Loan	Not Available	Not Applicable	Not Available	6.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Term Loan	Not Available	Not Applicable	Not Available	7.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE B+ (Downgraded from ACUITE BB-) 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 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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