

Press Release

Atul Sharma

January 13, 2022



Rating Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|-------------------|------------------|---|-------------------|
| Bank Loan Ratings | 16.00 | ACUITE B+ Reaffirmed Issuer not co-operating* | |
| Total | 16.00 | - | - |

Rating Rationale

Acuité has reaffirmed the long-term rating of '**ACUITE B+**' (**read as ACUITE B plus**) on the Rs. 16.00 crore bank facilities of Atul Sharma. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

About the Company

Established in 1998, Tamil Nadu based 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. The firm benefits from the extensive experience of its proprietor, Mr. Atul Sharma.

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.

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.

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.

Status of non-cooperation with previous CRA

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.

Applicable Criteria

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

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|-----------|-----------------|---|
| 13 Oct 2020 | Term Loan | Long Term | 6.00 | ACUITE B+ (Downgraded and Issuer not co-operating*) |
| | Term Loan | Long Term | 7.00 | ACUITE B+ (Downgraded and Issuer not co-operating*) |
| | Proposed Long Term Loan | Long Term | 3.00 | ACUITE B+ (Downgraded and Issuer not co-operating*) |
| 24 Jul 2019 | Proposed Long Term Loan | Long Term | 3.00 | ACUITE BB- (Issuer not co-operating*) |
| | Term Loan | Long Term | 6.00 | ACUITE BB- (Issuer not co-operating*) |
| | Term Loan | Long Term | 7.00 | 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

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|----------------------|----------------|----------------------------------|-------------------------|--------------------|----------------------|--------------------------|---|
| Not Applicable | Not Applicable | Proposed Long Term Bank Facility | Not Applicable | Not Applicable | Not Applicable | 3.00 | ACUITE B+ Reaffirmed Issuer not co-operating* |
| Punjab National Bank | Not Applicable | Term Loan | Not available | Not available | Not available | 6.00 | ACUITE B+ Reaffirmed Issuer not co-operating* |
| Saraswat Bank | Not Applicable | Term Loan | Not available | Not available | Not available | 7.00 | ACUITE B+ Reaffirmed Issuer not co-operating* |

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 8,850 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 Kanjurmarg, Mumbai.

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