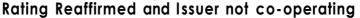


#### **Press Release**

# RK Enterprises July 25, 2024





Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	6.50	-	ACUITE A4   Reaffirmed   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	6.50	-	-

## **Rating Rationale**

Acuité has reaffirmed the short term rating of 'ACUITE A4' (read as ACUITE A four) on the Rs. 6.50 crore bank facilities of RK Enterprises (RKE). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

## **About the Company**

West Bengal based RK Enterprises (RKE) was started as a proprietorship firm in 2014 by Mr. Rakesh Kumar Gupta. The firm is engaged in trading of agro products like cumin seeds, fennel seeds, fenugreek seeds, rice, etc. The agro products are usually purchased from brokers located in various states like Andhra Pradesh, Gujarat and other places. The firm also exports entirely to various companies in Bangladesh.

#### **Unsupported Rating**

Not Applicable

#### 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. 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. This rating is, therefore, being 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 endeavoured 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.

No informa	ation provide	d by the issue	er / availab	le for Acuite	e to commen	t upon."	

# **Liquidity Position**

"No information provided by the issuer / available for Acuite to comment upon."

# Outlook

Not Applicable

Other Factors affecting Rating

None

## **Key Financials**

Particulars	Unit	FY 17 (Actual)	FY 16 (Actual)
Operating Income	Rs. Cr.	12.27	29.08
PAT	Rs. Cr.	0.13	0.31
PAT Margin	(%)	1.07	1.07
Total Debt/Tangible Net Worth	Times	4.04	0.00
PBDIT/Interest	Times	1.80	2.21

## Status of non-cooperation with previous CRA

Not Applicable

#### Any other information

None

## **Applicable Criteria**

- Trading Entities: https://www.acuite.in/view-rating-criteria-61.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, Acuité 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
28 Apr	PC/PCFC	Short Term	2.50	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
2023	Proposed Short Term Loan	Term 4.00		ACUITE A4 (Reaffirmed & Issuer not co-operating*)
02 Feb	PC/PCFC	Short Term	2.50	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
2022	Proposed Short Term Loan	Short Term	1 / (10)	ACUITE A4 (Reaffirmed & 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
Bank of India	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.50	ACUITE A4  Reaffirmed Issuer not co- operating*
Not Applicable	Not avl. / Not appl.	Proposed Short Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	4.00	ACUITE A4  Reaffirmed Issuer not co- operating*

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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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