

Press Release

R R Gold Palace Private Limited

February 01, 2021

Rating Update



Total Bank Facilities Rated*	Rs.62.00 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.

Rating Rationale

Acuité has downgraded its long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) on the Rs 62.00 bank facilities of R R Gold Palace Private Limited. This rating is now an indicative rating and is downgraded on account of information risk.

Bangalore based R R Gold Palace Private Limited (RGPL) established in 2006 as a partnership concern and then in 2011 converted into a private limited. RGPL is promoted by Mr. R. Ramesh and Ms. G.S. Prabhathatha and is engaged in retailing of gold, silver, diamond and platinum jewellery. The promoters have an experience of around one decade in the said industry. The promoters ventured into retailing of gold jewellery by setting up a showroom 'RR Gold Palace' in Malleswaram (Bangalore), under the partnership model and later converted to company. RR Gold Palace expanded its Malleswaram showroom to a separate section for a wide range of silver articles, jewellery and even corporate gifts. RGPL opened its 2nd showroom at Jayanagar in April, 2012 and 3rd Showroom at Yelahanka in 2014.

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 is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an 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 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.

About the Rated Entity- Key Financials

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

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

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

About the Rated Entity- Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

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

None

Any other information

None

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
20-Nov-2019	Cash Credit	Long Term	50.00	ACUITE BB-/Stable (Reaffirmed)
	Cash Credit	Long Term	12.00	ACUITE BB-/Stable (Reaffirmed)
19-Aug-2019	Cash Credit	Long Term	50.00	ACUITE BB- (Indicative)
	Cash Credit	Long Term	12.00	ACUITE BB- (Indicative)
04-Jul-2018	Cash Credit	Long Term	50.00	ACUITE BB-/Stable (Assigned)
	Cash Credit	Long Term	12.00	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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	50.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*

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

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 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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