

## Press Release

R R Gold Palace Private Limited

February 14, 2023



### Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	62.00	ACUITE C   Reaffirmed   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	62.00	-	-

### Rating Rationale

Acuite has reaffirmed the long-term rating to '**ACUITE C (read as ACUITE C)**' on the Rs.62.00 crore bank facilities of R R Gold Palace Private Limited (RRGP). This rating is now flagged as issuer not cooperating and is based on best available information.

### About the Company

Established in 2006 as a partnership firm by Mr. R. Ramesh and Mrs. G.S. Prabhalatha, R R Gold Palace was later converted into a private limited company in 2011 and renamed as R R Gold Palace Private Limited (RRGPPL). The company is engaged in the retailing of finished gold jewellery, silver jewellery and other precious stones at its 3 showrooms located in Balgare, each at Malleshwaram, Jayanagar and Yelahanka.

### 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 the due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an 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 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.

### Rating Sensitivities

"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

## Key Financials:

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

## Status of non-cooperation with previous CRA

ICRA Ratings, vide its press release dated 11th January 2023 had denoted the rating to R R Gold Palace Private Limited (RRGP) as 'ICRA B+/Stable, (Issuer not co-operating)' on account of lack of adequate information required for monitoring of ratings

## Any other information

None

## Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitle: <https://www.acuite.in/view-rating-criteria-61.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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
17 Nov 2021	Proposed Bank Facility	Long Term	5.00	ACUITE C (Downgraded from ACUITE B+)
	Cash Credit	Long Term	12.00	ACUITE C (Downgraded from ACUITE B+)
	Cash Credit	Long Term	45.00	ACUITE C (Downgraded from ACUITE B+)
01 Feb 2021	Cash Credit	Long Term	50.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	12.00	ACUITE B+ (Downgraded and 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	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	45.00	ACUITE C   Reaffirmed   Issuer not co- operating*
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	12.00	ACUITE C   Reaffirmed   Issuer not co- operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	5.00	ACUITE C   Reaffirmed   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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