

Press Release

R Kuppuswamy

January 06, 2021



Rating Update

Total Bank Facilities Rated*	Rs. 11.25 Cr. #
Long Term Rating	ACUITE B+ Issuer not co-operating* (Downgraded from ACUITE BB-/Stable)
Short Term Rating	ACUITE A4 Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE B+** (read as ACUITE B plus) from '**ACUITE BB-** (read as ACUITE double B Minus)' and reviewed the short-term rating of '**ACUITE A4** (read as ACUITE A four)' on the Rs.11.25 crore bank facilities of R Kuppuswamy (RK). This rating is now an indicative rating and is downgraded on account of information risk.

R Kuppuswamy (RK), established in 1977 is a Bangalore based partnership firm promoted by Mr. R. Kuppuswamy and his sons as Partners. The firm is a consignment sales agent (CSA) for Rashtriya Ispat Nigam Ltd (RINL) on commission, for the locations of Bangalore and Coimbatore since 1990. Earlier RK were the consignment agents for Steel Authority of India Limited (SAIL) and Indian Iron and Steel Co Limited (A Subsidiary of SAIL). Apart from CSA, the firm is having a 1x1250 kW SUZLON Make Wind Mill at Kundadam Village, Erode Dist. Tamil Nadu commenced in January 2007.

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 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 Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.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.

Liquidity Indicators

"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 requests.

Rating Sensitivity

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

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

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

Not Applicable

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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
29-Oct-2019	Cash Credit	Long Term	2.00	ACUITE BB- / Stable (Reaffirmed)
	Bank Guarantee	Short Term	9.25	ACUITE A4 (Reaffirmed)
06-Aug-2018	Cash Credit	Long Term	2.00	ACUITE BB- / Stable (Assigned)
	Bank Guarantee	Short Term	9.25	ACUITE A4 (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B+ Issuer not co-operating* (Downgraded from ACUITE BB- /Stable)
Bank guarantee	Not Applicable	Not Applicable	Not Applicable	9.25	ACUITE A4 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 8,435 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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