

Press Release

Saravana Selvarathnam Retail Private Limited

March 22, 2021



Rating Update

Total Bank Facilities Rated*	Rs.138.83 Cr. #
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB-/ Stable) Issuer not co-operating*

Refer Annexure for details

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

Acuité has downgraded the long-term rating to '**ACUITE BB+** (read as **ACUITE double B plus**) from '**ACUITE BBB-** (read as **ACUITE triple B minus**) on the Rs.138.83 crore bank facilities of Saravana Selvarathnam Retail Private Limited (SSRPL). This rating is now an indicative rating and is based on the best available information.

Established in 2005, SSRPL was promoted by Mr. Selvarathnam Saravana Arul in Chennai. Saravana Stores, with four decades of leadership in retail business which was founded by his father Late Mr. Saravana Selvarathnam in 1970s now operate under SSRPL. SSRPL presently operates three stores in Chennai and one in Coimbatore. SSRPL operates these modern show rooms which are engaged in trading of Textiles and Readymade garments, Footwear and Cosmetics, House hold articles, electronics goods & mobile phones, gold, Silver and Diamond ornaments, grading, packing of provisions, furniture, fruits & vegetables, among others.

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>
- Financial Ratios and Adjustments - <https://www.acuite.in/view-rating-criteria-53.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 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.

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 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
30-Dec-2019	Cash Credit	Long Term	130.00	ACUITE BBB-/ Stable (Downgraded)
	Term Loan	Long Term	8.83	ACUITE BBB-/ Stable (Downgraded)
05-Oct-2018	Cash Credit	Long Term	130.00	ACUITE BBB/ Stable (Assigned)
	Term Loan	Long Term	8.83	ACUITE BBB/ Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Bank Name	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Indian Bank	Not Applicable	Not Applicable	Not Applicable	130.00	ACUITE BB+ (Downgraded from ACUITE BBB-/ Stable) Issuer not co-operating*
Term Loan	Indian Bank	Not Applicable	Not Applicable	Not Applicable	8.83	ACUITE BB+ (Downgraded from ACUITE BBB-/ Stable) 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 8,614 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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