

Press Release

Shri Rathna Akshaya Estates Private Limited

June 08, 2021



Rating Withdrawn

| | |
|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs.275.31 Cr. # |
| Long Term Rating | ACUITE BB+ (Withdrawn; Issuer not co-operating*) |

Refer Annexure for details

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

Rating Rationale

Acuité has withdrawn the long-term rating of '**ACUITE BB+**' (**read as ACUITE double B plus**) on the Rs.275.31 crore bank facilities of Shri Rathna Akshaya Estates Private Limited (SRAEPL).

The rating withdrawal is in accordance with the Acuité's policy on withdrawal of rating. This rating continues to be an indicative rating and is based on the best available information.

The rating is being withdrawn on account of request received from the company and No Objection Certificate received from the bankers.

Established in 2014, Shri Rathna Akshaya Estates Private Limited (SRAEPL) was promoted by Mr. Selvarathnam Saravanan Arul in Tamil Nadu. SRAEPL presently operates two stores – one in Madurai and one in Tirunelveli which are engaged in trading of gold, silver and diamond ornaments, textiles and readymade garments, footwear and cosmetics, house hold articles, electronics goods & mobile phones, 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

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

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

| | Unit | FY20 (Actual) | FY19 (Actual) |
|-------------------------------|---------|---------------|---------------|
| Operating Income | Rs. Cr. | 385.62 | 384.83 |
| PAT | Rs. Cr. | 18.70 | 16.84 |
| PAT Margin | (%) | 4.85 | 4.38 |
| Total Debt/Tangible Net Worth | Times | 0.66 | 0.55 |
| PBDIT/Interest | Times | 4.28 | 3.85 |

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 |
|-------------|---------------------------------|-----------|------------------|-------------------------------------|
| 22-Mar-2021 | Cash Credit | Long Term | 75.00 | ACUITE BB+ (Downgraded; Indicative) |
| | Term Loan | Long Term | 15.00 | ACUITE BB+ (Downgraded; Indicative) |
| | Proposed Bank Facility | Long Term | 185.31 | ACUITE BB+ (Downgraded; Indicative) |
| 30-Dec-2019 | Cash Credit | Long Term | 75.00 | ACUITE BBB/ Stable (Reaffirmed) |
| | Term Loan | Long Term | 15.00 | ACUITE BBB/ Stable (Reaffirmed) |
| | Proposed Bank Facility | Long Term | 185.31 | ACUITE BBB/ Stable (Reaffirmed) |
| 05-Oct-2018 | Cash Credit | Long Term | 75.00 | ACUITE BBB/ Stable (Assigned) |
| | Term Loan | Long Term | 15.00 | ACUITE BBB/ Stable (Assigned) |
| | Proposed Bank Facility | Long Term | 185.31 | ACUITE BBB/ Stable (Assigned) |

#Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings |
|------------------------|------------------|----------------|----------------|-----------------------------|--|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 75.00 | ACUITE BB+ (Withdrawn) Issuer not co-operating* |
| Term Loan | Not Available | Not Available | Not Available | 15.00 | ACUITE BB+ (Withdrawn) Issuer not co-operating* |
| Proposed Bank Facility | Not Applicable | Not Applicable | Not Applicable | 185.31 | ACUITE BB+ (Withdrawn) Issuer not co-operating* |

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

Contacts

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|---|--|
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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 8,724 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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