

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Rating Withdrawn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Long Term Rating	ACUITE BB+ (Withdrawn; Issuer not co-operating*)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

Acuite has withdrawn the long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) on the Rs.275.31 crore bank facilities of Shri Rathna Akshaya Estates Private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 Acuite'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The rating is being withdrawn on account of request received from the company and No Objection Certificate received from the bankers.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 Saravana 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

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 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 Acuite'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). 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.

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

Acuite 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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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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