

Press Release

SATHYA AGENCIES PRIVATE LIMITED

January 14, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 56.50 Cr. #
Long Term Rating	ACUITE BB (Downgraded from ACUITE BB+/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**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) on the Rs.56.50 crore bank facilities of SATHYA AGENCIES PRIVATE LIMITED (Sathya). This rating is now an indicative rating and is downgraded on account of information risk.

Incorporated in 1987, Sathya is a Tuticorin (Tamil Nadu) based consumer electronics and home appliances retail chain and it is one of the leading multi-brand retail chain. The company runs the retail chain under the brand name 'Sathya' founded by Mr. John Samuel and opened its first showroom in 1987 at Tuticorin. Sathya deals with all leading consumer electronics manufacturers such as Sony, LG, Philips, Samsung among others. As on March 31, 2018, Sathya has 82 running outlets across Tamil Nadu and Pondicherry with an operating area of about 2.9 lakh square feet.

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 due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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.

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
17-Nov-2018	Channel/Dealer/ Vendor Financing	Long Term	20.00	ACUITE BB+/Stable (Assigned)
	Cash Credit	Long Term	18.50	ACUITE BB+/Stable (Assigned)
	Channel/Dealer/ Vendor Financing	Long Term	18.00	ACUITE BB+/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
Channel/Dealer/ Vendor Financing	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE BB Issuer not co-operating* (Downgraded from ACUITE BB+/Stable)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	18.50	ACUITE BB Issuer not co-operating* (Downgraded from ACUITE BB+/Stable)
Channel/Dealer/ Vendor Financing	Not Applicable	Not Applicable	Not Applicable	18.00	ACUITE BB Issuer not co-operating* (Downgraded from ACUITE BB+/Stable)

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

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings 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 6,000 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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