

Press Release

Sathya Agencies Private Limited

July 20, 2021

Rating Withdrawn



Total Bank Facilities Rated*	Rs.56.50 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Long Term Rating	ACUITE BB- (Withdrawn; Issuer not co-operating*)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Acuite has withdrawn the long-term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) on the Rs.56.50 crore bank facilities of Sathya Agencies Private Limited (Sathya).

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The rating is being withdrawn on account of the request received from the company and No Objection Certificate received from the bankers.

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. The company is promoted by Mr. J. Johnson, J. John Sathya, J. Charles Packiaraj, J. Gnana Christy, J. Jemima Sophia and C. Vanaja. 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

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

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

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
14-Apr-2021	Channel Financing	Long Term	20.00	ACUITE BB- (Downgraded; Indicative)
	Cash Credit	Long Term	18.50	ACUITE BB- (Downgraded; Indicative)
	Channel Financing	Long Term	18.00	ACUITE BB- (Downgraded; Indicative)
14-Jan-2020	Channel Financing	Long Term	20.00	ACUITE BB (Downgraded; Indicative)
	Cash Credit	Long Term	18.50	ACUITE BB (Downgraded; Indicative)
	Channel Financing	Long Term	18.00	ACUITE BB (Downgraded; Indicative)
17-Nov-2018	Channel Financing	Long Term	20.00	ACUITE BB+/ Stable (Assigned)
	Cash Credit	Long Term	18.50	ACUITE BB+/ Stable (Assigned)
	Channel 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 Financing	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE BB- (Withdrawn) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	18.50	ACUITE BB- (Withdrawn) Issuer not co-operating*
Channel Financing	Not Applicable	Not Applicable	Not Applicable	18.00	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 8,789 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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