

Press Release

Srinithi Enterprises Private Limited

April 28, 2021



Rating Update

Total Bank Facilities Rated*	Rs.12.00 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 minus**) from '**ACUITE BB**' (**read as ACUITE double B**) on the Rs.12.00 Cr bank facilities of Srinithi Enterprises Private Limited. This rating is now an indicative rating and is based on the best available information.

Chennai-based, Srinithi Enterprises Private Limited (SEPL) was incorporated in 2009 by Mr. Dandapani Chinnasamy and is engaged in processing milk and milk products like butter, ghee and skimmed milk powders. It is a family business and fourth generation are handling the business.

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>
- 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

CARE, vide its press release dated July, 2020 had denoted the rating of Srinithi Enterprises Private Limited as 'CARE BB/Stable; Issuer non-cooperating' on account of lack of adequate information required to monitor the ratings.

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
13-Feb-2020	Cash Credit	Long Term	9.35	ACUITE BB/Stable (Reaffirmed)
	Proposed	Long Term	2.65	ACUITE BB/Stable (Reaffirmed)
29-Nov-2018	Cash Credit	Long Term	9.35	ACUITE BB/Stable (Assigned)
	Proposed	Long Term	2.65	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/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	9.35	ACUITE BB- (Downgraded) Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	2.65	ACUITE BB- (Downgraded) Issuer not co-operating*

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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 8,374 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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