

Press Release

P K Hospitality Services Private Limited

June 18, 2021



Rating Update

Total Bank Facilities Rated*	Rs.105.00 Cr. #
Long Term Rating	ACUITE BB (Downgraded from ACUITE BB+ / Stable) Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuité has downgraded the long term rating to '**ACUITE BB**' (**read as ACUITE double B**) from '**ACUITE BB+**' (**read as ACUITE double B plus**) and reviewed the short term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs.105.00 Cr. bank facilities of P K Hospitality Services Private Limited (PKHS). The rating is now flagged as an 'Issuer Not-Cooperating' based on best available information.

About the company

P K Hospitality Services Private Limited (PKHS) was established in March 2000, promoted by Mr. Pravin Kumar Agarwal and Vijay Shinde Kashinath to carry on business of hospitality services. The company has a wide range of fine dining restaurants, take away food kiosks, quick service restaurants (QSR), pubs, airport lounges and hotels. The company is also involved in trading and warehousing of food grains & pulses, providing infrastructure services, engaged in contract of user fee collection and has built a food processing plant to manufacture pulp, paste, sausages and chutneys.

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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector Entities - <https://www.acuite.in/view-rating-criteria-50.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.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 has 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.

Liquidity Position

No information provided by the issuer / available for Acuité to comment upon.

Rating Sensitivities

No information provided by the issuer / available for Acuité 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

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
02-Apr-2020	Term Loan	Long Term	2.26	ACUITE BB+ / Stable (Downgraded)
	Term Loan	Long Term	5.57	ACUITE BB+ / Stable (Downgraded)
	Term Loan	Long Term	6.45	ACUITE BB+ / Stable (Downgraded)
	Cash Credit	Long Term	16.60	ACUITE BB+ / Stable (Downgraded)
	Bank Guarantee	Short Term	8.00	ACUITE A4+ (Downgraded)
	Bank Guarantee	Short Term	1.12	ACUITE A4+ (Downgraded)
	Proposed Bank Facility	Short Term	65.00	ACUITE A4+ (Downgraded)
25-Feb-2020	Term Loan	Long Term	2.26	ACUITE BBB- (Indicative)
	Term Loan	Long Term	5.57	ACUITE BBB- (Indicative)
	Term Loan	Long Term	6.45	ACUITE BBB- (Indicative)
	Cash Credit	Long Term	16.60	ACUITE BBB- (Indicative)
	Bank Guarantee	Short Term	8.00	ACUITE A3 (Indicative)
	Bank Guarantee	Short Term	1.12	ACUITE A3 (Indicative)
	Proposed Bank Facility	Short Term	65.00	ACUITE A3 (Indicative)
06-Dec-2018	Term Loan	Long Term	2.26	ACUITE BBB- / Stable (Assigned)
	Term Loan	Long Term	5.57	ACUITE BBB- / Stable (Assigned)
	Term Loan	Long Term	6.45	ACUITE BBB- / Stable (Assigned)
	Cash Credit	Long Term	16.60	ACUITE BBB- / Stable (Assigned)
	Bank Guarantee	Short Term	8.00	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	1.12	ACUITE A3 (Assigned)
	Proposed Bank Facility	Short Term	65.00	ACUITE A3 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term Loan	Not Available	Not Available	Not Available	2.26	ACUITE BB (Downgraded from ACUITE BB+ / Stable) Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	5.57	ACUITE BB (Downgraded from ACUITE BB+ / Stable) Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	6.45	ACUITE BB (Downgraded from ACUITE BB+ / Stable) Issuer not co-operating*
Cash Credit	Not Available	Not Available	Not Available	16.60	ACUITE BB (Downgraded from ACUITE BB+ / Stable) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE A4+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.12	ACUITE A4+ Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	65.00	ACUITE A4+ Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President – Corporate Ratings Tel: 022 – 49294041 aditya.gupta@acuite.in	Varsha Bist Senior Manager – Rating Desk Tel: 022 – 49294011 rating.desk@acuite.in
Aditya Sahu Analyst – Rating Operations Tel: 022 – 49294055 aditya.sahu@acuite.in	

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 8,732 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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité. Acuité's rating scale and its definitions.