



Press Release
AFFLUENCE COMMODITIES PRIVATE LIMITED
January 16, 2025
Rating Downgraded, Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|---------------------|---|---|
| Bank Loan Ratings | 5.57 | ACUITE B- Downgraded Issuer not co-operating* | - |
| Bank Loan Ratings | 9.43 | - | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Total Outstanding Quantum (Rs. Cr) | 15.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

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

Rating Rationale

Acuité has downgraded the long-term rating to ‘**ACUITE B-**’ (read as **ACUITE B minus**) from ‘**ACUITE B**’ (read as **ACUITE B**) and reaffirmed the short term rating of ‘**ACUITE A4**’ (read as **ACUITE A four**) on the Rs.15.00 crore bank facilities of Affluence Commodities Private Limited (ACPL) on account of information risk. The rating continues to be flagged as “Issuer Not-Cooperating” and is based on the best available information.

About the Company

Incorporated in 2007, Affluence Commodities Private Limited is engaged in the commodity broking business. It is promoted by Mr. Dhiren Shah having experience of more than a decade in the broking industry. It is part of the Affluence group, a Gujarat based group engaged in equity and commodity broking, currency trading, and depository services. The company is a member of MCX since February 2007 and NCDEX since September 2008 dealing with commodities such as gold, silver, zinc, crude oil and other agricultural products. There are two business locations Ahmedabad and Gandhinagar.

Unsupported Rating

Not Applicable

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 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.

Limitation regarding information availability

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a

rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

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

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

| Particulars | Unit | FY 22 (Actual) | FY 21 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income | Rs. Cr. | (0.65) | 2.60 |
| PAT | Rs. Cr. | (0.88) | 1.16 |
| PAT Margin | (%) | 135.33 | 44.55 |
| Total Debt/Tangible Net Worth | Times | 0.03 | 0.36 |
| PBDIT/Interest | Times | (10.87) | 3.83 |

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|---|
| 23 Oct 2023 | Bank Guarantee (BLR) | Short Term | 9.43 | ACUITE A4 (Reaffirmed & Issuer not co-operating*) |
| | Secured Overdraft | Long Term | 5.57 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| 29 Jul 2022 | Bank Guarantee (BLR) | Short Term | 9.43 | ACUITE A4 (Reaffirmed & Issuer not co-operating*) |
| | Secured Overdraft | Long Term | 5.57 | ACUITE B (Reaffirmed & Issuer not co-operating*) |

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

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Complexity Level | Rating |
|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-------------------|------------------|---|
| Union Bank of India | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 9.43 | Simple | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Union Bank of India | Not avl. / Not appl. | Secured Overdraft | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 5.57 | Simple | ACUITE B- Downgraded Issuer not co-operating* (from ACUITE B) |

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

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.