



Press Release

Uttam Chand Rakesh Kumar

March 30, 2020

Rating Update

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|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs. 23.00 crore |
| Long Term Rating | ACUITE BB (Downgrade; Issuer not co-operating) |

* Refer Annexure for details

Rating Rationale

Acuite 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. 23.00 crore bank facilities of UTTAM CHAND RAKESH KUMAR (UCRK). The rating is downgraded on account of information risk.

Delhi-based Uttam Chand Rakesh Kumar (UCRK) was established in 2008 as a partnership firm between Mr. Rakesh Kumar Bhatia and his son Mr. Akshay Kumar Bhatia. The firm is engaged in the trading of dry-fruits (mainly almonds and pistachios) and spices (cloves, poppy seeds, cumin seeds etc.). UCRK imports mainly from U.S, Dubai, Turkey, Australia, Germany and Madagascar.

Analytical Approach

Acuite has considered the standalone business and financial risk profile of UCRK to arrive at the rating.

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 due date.

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

Applicable Criteria

- Entities in Trading Sector– <https://www.acuite.in/view-rating-criteria-61.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.

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)

None

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 (Up to last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|------------------|---------------------------------|-----------|------------------|-------------------------------|
| January 16, 2019 | Cash Credit | Long-Term | 23.00 | 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/Outlook |
|------------------------|------------------|----------------|----------------|-----------------------------|---|
| Cash Credit | Not applicable | Not applicable | Not applicable | 23.00 | ACUITE BB (Downgraded; Issuer not-cooperating*) |

Contacts

| Analytical | Rating Desk |
|--|---|
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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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