

Press Release
Swaraj Enterprises

March 09, 2023



Rating Reaffirmed & Withdrawn and Issuer not co-operati

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---------------------------------------|---------------------|---|----------------------|
| Bank Loan Ratings | 6.66 | ACUITE B Reaffirmed & Withdrawn Issuer not co-operating* | - |
| Total Outstanding Quantum (Rs. Cr) | 0.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 6.66 | - | - |

Rating Rationale

Acuite has Reaffirmed & Withdrawn the long term rating of '**ACUITE B**' (read as **ACUITE B**) on the Rs.6.66 crore bank facilities of Swaraj Enterprises (SE). 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 best available information. The rating is being withdrawn on account of request received from the company and NOC received from the banker

About the Company

Established in 2015 in Maharashtra, SE is a partnership firm engaged in manufacturing of furniture. It manufactures furniture for schools, hospitals, offices, house and shops. These furniture are of wooden, cushion and plywood, among others. The day to day operations are managed by its partners, Mr. Suresh Parkale and Mrs. Hemlata Suresh Parkale. Some of its customers are Frontier Automotive Private Limited, Manas Resort Private Limited, Alpha Feature School and Siddhi Construction to name a few. Also, it provides furniture for around 50 to 52 shop owners.

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 noncooperation 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 notcooperating", in line with prevailing SEBI regulations and Acuite's policies.

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.

Rating Sensitivity

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

Material Covenants

None

Liquidity Position

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

Outlook: Not Applicable

Key Financials

The issuer has not provided the latest financials for Acuite to comment upon

Status of non-cooperation with previous CRA

None

Any other information

Acuite is yet to receive No default statement (NDS) from the rated entity despite repeated requests and followups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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 |
|-------------|--------------------------------|-----------|-----------------|--------------------------------------|
| 19 Oct 2022 | Cash Credit | Long Term | 2.00 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 2.02 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 1.14 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 1.50 | ACUITE B (Issuer not co-operating*) |
| 23 Jul 2021 | Term Loan | Long Term | 1.14 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 1.50 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 2.02 | ACUITE B (Issuer not co-operating*) |
| | Cash Credit | Long Term | 2.00 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 2.02 | ACUITE B (Issuer not co-operating*) |

| | | | | |
|----------------|-------------|--------------|------|---|
| 23 Apr 2020 | Cash Credit | Long Term | 2.00 | ACUITE B (Issuer not co- operating*) |
| | Term Loan | Long Term | 1.50 | ACUITE B (Issuer not co- operating*) |
| | Term Loan | Long Term | 1.14 | ACUITE B (Issuer not co- operating*) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Complexity Level | Quantum (Rs. Cr.) | Rating |
|----------------|----------------|-------------|------------------|----------------|----------------|------------------|-------------------|--|
| Bank of Baroda | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | Simple | 2.00 | ACUITE B Reaffirmed & Withdrawn Issuer not co-operating* |
| Bank of Baroda | Not Applicable | Term Loan | Not available | Not available | Not available | Simple | 1.14 | ACUITE B Reaffirmed & Withdrawn Issuer not co-operating* |
| Bank of Baroda | Not Applicable | Term Loan | Not available | Not available | Not available | Simple | 2.02 | ACUITE B Reaffirmed & Withdrawn Issuer not co-operating* |
| Bank of Baroda | Not Applicable | Term Loan | Not available | Not available | Not available | Simple | 1.50 | ACUITE B Reaffirmed & Withdrawn Issuer not co-operating* |

Contacts

| Analytical | Rating Desk |
|--|--|
| Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Radhika Kolwankar Analyst-Rating Operations Tel: 022-49294065 radhika.kolwankar@acuite.in | Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in |

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.

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. Ratings assigned by Acuité 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. Ratings assigned by Acuité 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.