

## Anugrah Stock and Broking Private Limited

February 23, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	20.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	25.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>45.00 (Rs. Forty-Five Crore Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated March 30, 2020 placed the ratings of Anugrah Stock & Broking Limited (Anugrah) under the 'issuer non-cooperating' category as Anugrah had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its rating agreement. Anugrah continues to be non-cooperative despite repeated requests for submission of information through e-mails dated November 08, 2021, October 29, 2021 and October 19, 2021. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

### Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Care reaffirmed the ratings of the long term and short-term instruments of the company.

As on November 27, 2020, NSE declared Anugrah as a defaulter and expelled the brokerage house from memberships and March 09, 2021 SEBI has imposed a fine of ₹90 lakh for misusing client funds and making incorrect reporting to stock exchanges. Further, SEBI cancelled the registration of Anugrah stock & Broking private limited on February 14, 2022.

### Analytical approach: NA

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Financial Ratios - Financial Sector](#)

[Rating Outlook and Credit Watch](#)

[Rating Methodology - Non Banking Finance Companies \(NBFCs\)](#)

### About the Company

Anugrah was incorporated in 1996, is primarily in business of retail equity broking. The company is Mumbai based and has network of 6 branches in states of Maharashtra, Gujarat, Rajasthan and Andhra pradesh. The margin financing business is also carried out through a promoter related company and not under Anugrah. Anugrah has a network of over 409 franchisee providing services to more than 20207 number of clients across the country.

Brief Financials (Rs. crore)	31-03-2018 (A)	31-03-2019 (A)	9MFY20 (UA)
Total operating income	73.85	64.72	Not Available
PAT	2.21	4.77	
Interest coverage (times)	1.12	1.36	
Total Assets	340.02	364.75	
Net NPA (%)	0.00	0.00	
ROTA (%)	0.65	1.35	

A: Audited

**Status of non-cooperation with previous CRA:** As per PR dated December 26, 2017, CRISIL has placed Anugrah in the Issuer not cooperation category as the company did not provide the relevant information for carrying out review. The company has remained in non-cooperation since then.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Any other information:** NA

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated for this company:** Annexure 4

**Annexure-1: Details of Instruments / Facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Bank Overdraft		-	-	-	20.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	25.00	CARE D; ISSUER NOT COOPERATING*

**Annexure-2: Rating History of last three years**

Sr. No	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Bank Overdraft	LT	20.00	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (03-Dec-20)	1)CARE BB+; ISSUER NOT COOPERATING * (30-Mar-20)	1)CARE BB+; Stable (15-Mar-19)
2	Non-fund-based - ST-Bank Guarantee	ST	25.00	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (03-Dec-20)	1)CARE A4+; ISSUER NOT COOPERATING * (30-Mar-20)	1)CARE A4+ (15-Mar-19)

\* Long Term / Short Term

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities:** NA

**Annexure 4: Complexity level of various instruments rated for this company**

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Bank Overdraft	Simple
2	Non-fund-based - ST-Bank Guarantee	Simple

**Annexure 5: Bank Lender Details for this Company**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

## Contact us

### Media Contact

Name: Mradul Mishra  
Contact no.: +91-22-6754 3573  
Email ID: mradul.mishra@careedge.in

### Analyst Contact

Name: Niketa Kalan  
Contact no.: 9820904056  
Email ID: Niketa.Kalan@careedge.in

### Relationship Contact

Name: Saikat Roy  
Contact no.: +91-98209 98779  
Email ID: saikat.roy@careedge.in

### About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

### Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careedge.in](http://www.careedge.in)**