



## Press Release

### Rockline Entertainments Private Limited

**November 30, 2022**

#### **Ratings**

<b>Facilities</b>	<b>Amount (Rs. crore)</b>	<b>Ratings</b>	<b>Rating Action</b>	<b><u>Complexity Indicator</u></b>
Long Term Bank Facilities	34.22	IVR B+; Issuer Not Cooperating* (IVR Single B Plus; Issuer Not Cooperating*)	Revised from IVR BB-/ Stable (IVR Double B Minus with Stable Outlook) and moved to ISSUER NOT COOPERATING category	Simple
<b>Total</b>	<b>34.22 (Rupees Thirty Four crore and Twenty Two lakh only)</b>			

*\*Issuer did not cooperate; based on best available information*

**Details of Facilities are in Annexure 1**

#### **Detailed Rationale**

The revision in the ratings assigned to the bank facilities of Rockline Entertainments Private Limited (REPL) reflects lack of adequate information available and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as this rating may not adequately reflect the credit risk profile of the entity.

#### **Non-cooperation by Issuer**

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated October 3, 2022, October 20, 2022, November 9, 2022, November 18, 2022, November 24, 2022, November 28, 2022, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the requested information for monitoring the rating.



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Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to review the rating based on the best available information. Accordingly, the ratings for the bank facilities of REPL aggregating Rs.34.22 crore has been moved to the 'ISSUER NOT COOPERATING' category by Infomerics.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Guidelines on what constitutes Non-Cooperation by Clients](#)

[Rating Methodology of service sector entities](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria of assigning rating outlook](#)

### **About the Company**

REPL is an Indian film production and distribution company established in 1996 by Rockline Venkatesh (Thirupathi Narasimhalunaidu Venkatesh). The company was incorporated in the year 2005. REPL is headquartered in Bangalore and has produced films in Kannada, Telugu, Tamil, Hindi, and Malayalam languages. It also goes under the banner Rockline Entertainments and has made movies featuring India's biggest superstars Salman Khan, Rajinikanth, Vikram, Puneeth Rajkumar and Upendra.

### **Financials (Standalone):**

(Rs. crore)		
For the year ended / As On*	31-03-2020 (Audited)	31-03-2021 (Provisional)
Total Operating Income	6.98	6.19
EBITDA	8.37	5.21
PAT	2.24	-0.89
Total Debt	55.53	45.83
Tangible Network	16.50	17.63
<b>Ratios</b>		
EBITDA Margin (%)	119.91	84.18
PAT Margin (%)	32.05	-14.40
Overall Gearing Ratio (x)	3.37	2.60

\*Classification as per Infomerics' standards



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**Status of non-cooperation with previous CRA:** Nil

**Any other information:** Nil

**Rating History for last three years:**

Sr. No.	Name of Facilities	Current Ratings(Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 (October 20, 2021)	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20
1.	Overdraft	Long Term	18.25	IVR B+; Issuer Not Cooperating*	IVR BB-/ Stable	-	-
2.	Term Loan	Long Term	15.97	IVR B+; Issuer Not Cooperating*	IVR BB-/ Stable	-	-

*\*Issuer did not cooperate; based on best available information*

**Name and Contact Details of the Rating Analyst:**

Name: Nilesh Gupta Tel: (022) 62396023 Email: <a href="mailto:nilesh.gupta@infomerics.com">nilesh.gupta@infomerics.com</a>	Name: Niriksha Gupta Tel: (022) 62396023 Email: <a href="mailto:niriksha.gupta@infomerics.com">niriksha.gupta@infomerics.com</a>
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### About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.



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Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.

For more information visit [www.infomerics.com](http://www.infomerics.com)

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Overdraft	-	-	-	18.25	IVR BB-/ Stable
Term Loan	-	-	May 2031	15.97	IVR BB-/ Stable

*\*Issuer did not cooperate; based on best available information*

**Annexure 3: Facility wise lender details:** Not applicable

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:** Not Applicable

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).