



Press Release

Rajasthan Ispat Udyog

October 11, 2018

Rating Update

Total Bank Facilities Rated	Rs. 25.00 Cr.#
Long Term Rating	ACUITE BB- Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has reviewed the long-term rating of '**ACUITE BB-**' (read as ACUITE double B minus) to the Rs. 25.00 crore bank facilities of Rajasthan Ispat Udyog (RIU). This rating is now an indicative rating and is based on best available information.

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 due date.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Trading Entities- <https://www.acuite.in/view-rating-criteria-6.htm>
- Financial Ratios and Adjustments- <https://www.acuite.in/view-rating-criteria-40.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). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

RIU is a Jaipur-based proprietorship concern established in 1970 by Mr. Bhagwat Prasad Khandelwal. The firm is engaged in the trading of iron and steel products such as TMT Bars, HR Sheet and HR Plates, angles, channels, and beams.

For FY2015-16, RIU reported Profit after Tax (PAT) of Rs.2.14 crore on total operating income of Rs.286.97 crore compared with PAT of Rs. 2.25 crore on total operating income of Rs.319.29 crore in FY2014-15. The tangible net worth stood at Rs.30.19 crore as on 31 March, 2016 as against Rs.11.83 crore in the previous year.

Status of non-cooperation with previous CRA (if applicable)

Not applicable.

Any other information

Acuité 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
05-Oct-17	Cash Credit	Long term	20.00	ACUITE BB-/Stable (Reaffirmed)
	Proposed Bank Facility	Long term	5.00	ACUITE BB-/Stable (Assigned)
31-May-16	Cash Credit	Long term	25.00	ACUITE BB-/Stable (Reaffirmed)
17-Mar-2015	Cash Credit	Long term	25.00	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. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE BB- Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB- Issuer not co-operating*

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

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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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