

Press Release

SURYA Ferrous Alloys Private Limited

March 31, 2021



Rating Downgraded & Withdrawn

Total Bank Facilities Rated*	Rs.35.00 Cr.
Long Term Rating	ACUITE BB- (Downgraded from ACUITE BB) Withdrawn; Issuer not co-operating

*Refer Annexure for details

Rating Rationale

Acuité has downgraded and withdrawn the long term rating to '**ACUITE BB-**' (**read as ACUITE double B minus**) from '**ACUITE BB**' (**read as ACUITE double B**) on the Rs.35.00 Cr. bank facilities of Surya Ferrous Alloys Private Limited. The rating continues to be an indicative rating and is downgraded on account of information risk. The rating withdrawal is in accordance with Acuité's policy on withdrawal of ratings.

The rating is being withdrawn on account of the request received from the company and the NOC received from the banker as per Acuité's policy.

About the company

The Maharashtra based SFAPL, incorporated in 2004 is led by Mr. Amit Garg. It is engaged in manufacturing of TMT bars and MS billets. The manufacturing facility is located at Wada Sahapur Road (Palghar) spread across fourteen acres of land. The installed manufacturing capacity of MS billets is 90000 tonnes per annum and TMT bars is 75000 tonnes per annum.

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 the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Applicable Criteria

- Default Recognition – <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities – <https://www.acuite.in/view-rating-criteria-59.htm>
- Financial Ratios And Adjustments – <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.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 has endeavoured 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.

Liquidity Position

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

Rating Sensitivities

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

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)

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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
25-Mar-2020	Cash Credit	Long Term	12.40	ACUITE BB (Downgraded & Indicative)
	Cash Credit	Long Term	12.70	ACUITE BB (Downgraded & Indicative)
	Cash Credit	Long Term	9.90	ACUITE BB (Downgraded & Indicative)
17-Jan-2019	Cash Credit	Long Term	12.40	ACUITE BB+ / Stable (Assigned)
	Cash Credit	Long Term	12.70	ACUITE BB+ / Stable (Assigned)
	Cash Credit	Long Term	9.90	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
Cash Credit	Not Applicable	Not Available	Not Applicable	12.40	ACUITE BB- (Downgraded from ACUITE BB) Withdrawn; Issuer not cooperating*
Cash Credit	Not Applicable	Not Available	Not Applicable	12.70	ACUITE BB- (Downgraded from ACUITE BB) Withdrawn; Issuer not cooperating*
Cash Credit	Not Applicable	Not Available	Not Applicable	9.90	ACUITE BB- (Downgraded from ACUITE BB) Withdrawn; Issuer not cooperating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President – Corporate Ratings Tel: 022 – 49294041 aditya.gupta@acuite.in	Varsha Bist Senior Manager – Rating Desk Tel: 022 – 49294011 rating.desk@acuite.in
Aditya Sahu Analyst – Rating Operations Tel: 022 – 49294055 aditya.sahu@acuite.in	

About Acuité Ratings & Research:

Acuité Ratings & Research 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 8,628 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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