

Press Release

Shri Veerganapathi Steels Private Limited

March 01, 2017

Rating Update

Total Bank Facilities Rated*	Rs. 35.00 Cr. #
Long Term Rating	SMERA BB- Issuer not co-operating*
Short Term Rating	SMERA A4+ Issuer not co-operating*

Refer Annexure for details

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

SMERA has long-term rating of '**SMERA BB-** (read as **SMERA BB minus**) and short term rating of '**SMERA A4+** (read as '**SMERA A four plus**') on the Rs. 35.00 crore bank facilities of Shri Veerganapathi Steels Private Limited. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

SMERA 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 SMERA's policies.

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Trading Entities - <https://www.smera.in/criteria-trading.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). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity

SVSPL incorporated in 1997, is a Chennai -based company engaged in the trading of steel angles, channels, plates among others. The company's day to day activities are managed by Mr. Narayan Maheswari, Managing Director and his son, Mr. Vidhur Maheswari. SVSPL has branch offices at Visakhapatnam, Raipur and Kolkata. For FY2014-15, the company reported PAT (profit after tax) of Rs.0.52 crore on operating income of Rs. 140.22 crore as against PAT of Rs. 0.46 crore on total operating income of Rs. 195.20 crore in the previous year. The company booked revenue of Rs.141crore from April, 2015 to October, 2015. The net worth stood at Rs. 7.99 crore against total debt of Rs. 20.24 crore as on March, 31, 2015.

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Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
18-Nov-2015	Cash Credit	Long Term	INR 20 CR	SMERA BB- / Stable
	Proposed Letter of Credit	Short Term	INR 10 CR	SMERA A4+
	Proposed Bank Guarantee	Short Term	INR 5 CR	SMERA A4+

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	20.00	SMERA BB- Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	10.00	SMERA A4+ Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	5.00	SMERA A4+ Issuer not co-operating*

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

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ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities, and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposits etc.. For more details, please visit www.smera.in.

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