

Press Release

Shri Veerganapathi Steels Private Limited

January 29, 2020



Rating Update

Total Bank Facilities Rated	Rs. 35.00 Cr. #
Long Term Rating	ACUITE C (Downgraded from ACUITE BB-) Issuer not co-operating*
Short Term Rating	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

Refer Annexure for details

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

Acuité has downgraded the long-term rating to '**ACUITE C**' (**read as ACUITE C**) from '**ACUITE BB-**' (**read as ACUITE double B minus**) and short-term rating of '**ACUITE A4**' (**read as ACUITE A four**) from '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs. 35.00 crore bank facilities of SHRI VEERGANAPATHI STEELS PRIVATE LIMITED (SVPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information available on public domain.

SVPL 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. SVPL has branch offices at Visakhapatnam, Raipur and Kolkata.

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.

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

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-61.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 - 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
27-Dec-2019	Cash Credit	Long Term	20.00	ACUITE BB- (Indicative)
	Letter of Credit	Long Term	10.00	ACUITE A4+ (Indicative)
	Bank Guarantee	Long Term	5.00	ACUITE A4+ (Indicative)
08-Oct-2018	Cash Credit	Long Term	20.00	ACUITE BB- (Indicative)
	Letter of Credit	Short Term	10.00	ACUITE A4+ (Indicative)
	Bank Guarantee	Short Term	5.00	ACUITE A4+ (Indicative)
01-Mar-2017	Cash Credit	Long Term	20.00	ACUITE BB- (Indicative)
	Letter of Credit	Short Term	10.00	ACUITE A4+ (Indicative)
	Bank Guarantee	Short Term	5.00	ACUITE A4+ (Indicative)
18-Nov-2015	Cash Credit	Long Term	20.00	ACUITE BB- /Stable (Assigned)
	Proposed Letter of Credit	Short Term	10.00	ACUITE A4+ (Assigned)
	Proposed Bank Guarantee	Short Term	5.00	ACUITE A4+ (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 Applicable	Not Applicable	20.00	ACUITE C (Downgraded from ACUITE BB-) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head - Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in
Grishma Muni Analyst - Rating Operations Tel: 02249294035 grishma.muni@acuite.in	

About Acuite Ratings & Research:

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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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