

Press Release

V. Ram Chandra Iron & Steel Private Limited

February 03, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	3.00	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	8.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	11.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reviewed the long term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 11.00 crore bank facilities of V. Ram Chandra Iron & Steel Private Limited (VRPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Agra-based, VRPL was incorporated in 1993 by Mr. Rajeev Jain and Mr. Sanjeev Jain. The company provides handling and transportation services to various companies including Rashtriya Ispat Nigam Limited and Jindal Steel and Power Ltd. The rating downgrade takes into account the decline in revenues, deterioration in profitability and coverage indicators. However, the rating is supported by an experienced management and reputed clientele.

Non-cooperation by the issuer/borrower:

Acuite 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.

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

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). Acuite endeavoured to gather information about the entity/ industry from the public domain. Therefore, Acuite 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 attempts.

Rating Sensitivity

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

Material Covenants

Not Applicable.

Liquidity Position

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

Outlook

Not Applicable.

Status of non-cooperation with previous CRA

None.

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
06 Nov 2020	Proposed Bank Facility	Long Term	2.00	ACUITE B+ (Issuer not co-operating*)
	Cash Credit	Long Term	1.00	ACUITE B+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	8.00	ACUITE A4 (Issuer not co-operating*)
16 Aug 2019	Bank Guarantee	Short Term	8.00	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	1.00	ACUITE B+ (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	2.00	ACUITE B+ (Issuer not co-operating*)
24 May 2018	Cash Credit	Long Term	1.00	ACUITE B+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	8.00	ACUITE A4 (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	2.00	ACUITE B+ (Issuer not co-operating*)
02 Mar 2017	Cash Credit	Long Term	1.00	ACUITE B+ Stable (Downgraded from ACUITE BB- Stable)
	Bank Guarantee	Short Term	8.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Proposed Bank Facility	Long Term	2.00	ACUITE B+ Stable (Downgraded from ACUITE BB- Stable)
25 Nov 2015	Cash Credit	Long Term	1.00	ACUITE BB- Stable (Assigned)
	Bank Guarantee	Short Term	8.00	ACUITE A4+ (Assigned)
	Proposed Working Capital Demand Loan	Long Term	2.00	ACUITE BB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE B+ Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B+ Reaffirmed Issuer not co-operating*

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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 8,850 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 Kanjurmarg, Mumbai.

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