

Press Release

SUNVIK STEELS PRIVATE LIMITED

June 19, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 71.75 Cr. #
Long Term Rating	ACUITE BBB- Issuer not co-operating*
Short Term Rating	ACUITE A3+ Issuer not co-operating*

Refer Annexure for details

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

Acuité has reviewed long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short-term rating of '**ACUITE A3+**' (read as **ACUITE A three plus**) on the Rs. 71.75 crore bank facilities SUNVIK STEELS PRIVATE LIMITED (SSPL). This rating is now an indicative rating and is based on best available information.

SSPL, incorporated in 2003 is a Karnataka-based company promoted by Mr. Vivek Kumar Kejriwal, Mr. Mahendra Kumar Kachhara and others. The company is engaged in the manufacture of sponge iron, billets and TMT bars and sells the same under the 'SUNVIK' and 'OMSAI' brand names. The company has also setup a 10 MW power plant for captive consumption and caters largely to the domestic market.

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/criteria-default.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.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 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.

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)

None

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
09-Apr-2018	CashCredit	Long Term	30.00	ACUITE BBB-/ Stable (Downgraded)
	CashCredit	Long Term	15.00	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	1.75	ACUITE BBB-/ Stable (Assigned)
	CashCredit	Long Term	13.50	ACUITE BBB/ Stable (Withdrawn)
	Term Loan	Long Term	11.90	ACUITE BBB/ Stable (Withdrawn)
	Letter of Credit	Short Term	10.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee	Short Term	15.00	ACUITE A3+ (Reaffirmed)
31-Jan-2017	Term Loan	Long Term	8.00	ACUITE BBB / Stable (Reaffirmed)
	Term Loan	Long Term	3.90	ACUITE BBB / Stable (Reaffirmed)
	CashCredit	Long Term	38.50	ACUITE BBB / Stable (Reaffirmed)
	Letter of Credit	Short Term	10.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee	Short Term	3.00	ACUITE A3+ (Reaffirmed)
	Proposed non fund based facility	Short Term	3.10	ACUITE A3+ (Assigned)
26-Nov-2015	Term Loan	Long Term	15.00	ACUITE BBB / Stable (Assigned)
	CashCredit	Long Term	38.50	ACUITE BBB / Stable (Assigned)
	Letter of Credit	Short Term	10.00	ACUITE A3+ (Assigned)
	Bank Guarantee	Short Term	3.00	ACUITE A3+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
CashCredit	Not Applicable	Not Applicable	Not Applicable	30.00	ACUITE BBB-Issuer not co-operating*
CashCredit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE BBB-Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.75	ACUITE BBB-Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A3+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A3+ Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
<p>Srihari Adari Head - Corporate and Infrastructure Sector Ratings Tel: 040-40042327 srihari.adari@acuите.in</p> <p>Naveen Papisetty Analyst - Rating Operations Tel: 040-40055480 naveen.papisetty@acuiteratings.in</p>	<p>Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuите.in</p>

About Acuite Ratings & Research:

Acuite 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.

Disclaimer: An Acuite rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuite ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuite, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuite is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuite ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuite.