

Press Release

Shree Metalloys Limited

January 13, 2020

Rating Update



Total Bank Facilities Rated*	Rs.8.00 Cr.#
Long Term Rating	ACUITE B (Downgraded and Withdrawn) Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuite has withdrawn and downgraded its long-term rating to '**ACUITE B' (read as ACUITE B)** from '**ACUITE B+' (read as ACUITE B plus)** on the Rs.8.00 bank facilities of Shree Metalloys Limited.

The rating has been withdrawn on account of request received from the company and NOC received from the banker as per Acuite's policy. The rating is downgraded based on information risk and non-submission of relevant information sought from the company for review of ratings. The rating continues to be an indicative rating and is based on the best available information.

Gujarat-based, Shree Metalloys Limited (SML), was incorporated in 1994 and is engaged in trading of ferrous and non-ferrous metals and undertakes job work for metal alloys wires (zipper wires). These are used in ball pen manufacturing. The company is promoted by Mr. Pratik Kabra, Mr. Jogesh Chokshi and Mr. Devendra Jain.

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.

Acuite 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.

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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.

Liquidity Indicators

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

Rating Sensitivity

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

About the Rated Entity- Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

Status of non-cooperation with previous CRA (if applicable)

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

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
16-Jan-2020	Cash Credit	Long Term	8.00	ACUITE B+ (Indicative)
19-Oct-2018	Cash Credit	Long Term	8.00	ACUITE B+ (Indicative)
12-Sep-2017	Cash Credit	Long Term	8.00	ACUITE B+ (Indicative)
05-Apr-2016	Cash Credit	Long Term	8.00	ACUITE B+/Stable (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE B (Downgraded and Withdrawn) Issuer not co-operating*

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

Contacts

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About Acuite Ratings & Research:

Acuite 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 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

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