

Press Release

Supreme Heatreaters Private Limited

August 22, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	29.65	ACUITE BB- Downgraded Issuer not co-operating*	-
Bank Loan Ratings	31.00	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	60.65	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and reaffirmed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.60.65 crore bank facilities of Supreme Heatreaters Private Limited (SHPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

SHPL was established in 1987 at Rabale in Navi Mumbai (Maharashtra) by Mr. Ratan Praksah Chowdhri, Mr. Sanjay Chowdhri, Mr. Abhinav Chowdhri and Mrs. Lalitha Chowdhri for doing job work of heat treatment services and later commenced manufacturing and processing of wires, bright bars and profiles of stainless and ball bearing steel. In 2007, SHPL set-up an additional division 'Supreme Special Steels' in order to manufacture speciality steels such as Nickel based Superalloys, Duplex & Superduplex stainless steels and High speed steel; which find application in oil and gas exploration, nuclear energy, defense and petroleum industry.

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 endeavored 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 requests.

Rating Sensitivity

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

Material Covenants

None

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 Acuite Ratings & Research Limited www.acuite.in requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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
24 May 2021	Term Loan	Long Term	1.65	ACUITE BB (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	30.00	ACUITE A4+ (Issuer not co-operating*)
	Term Loan	Long Term	3.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	25.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	1.00	ACUITE A4+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	1.00	ACUITE A4+ (Issuer not co-operating*)
	Letter of Credit	Short Term	30.00	ACUITE A4+ (Issuer not co-operating*)

02 Mar 2020	Term Loan	Long Term	3.00	ACUITE BB+ (Issuer not co-operating*)
	Term Loan	Long Term	1.65	ACUITE BB+ (Issuer not co-operating*)
	Cash Credit	Long Term	25.00	ACUITE BB+ (Issuer not co-operating*)
31 Dec 2018	Bank Guarantee	Short Term	1.00	ACUITE A4+ (Issuer not co-operating*)
	Letter of Credit	Short Term	30.00	ACUITE A4+ (Issuer not co-operating*)
	Term Loan	Long Term	3.00	ACUITE BB+ (Issuer not co-operating*)
	Term Loan	Long Term	1.65	ACUITE BB+ (Issuer not co-operating*)
	Cash Credit	Long Term	25.00	ACUITE BB+ (Issuer not co-operating*)
23 Oct 2017	Cash Credit	Long Term	25.00	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Term Loan	Long Term	1.65	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Term Loan	Long Term	3.00	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Bank Guarantee	Short Term	1.00	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	30.00	ACUITE A4+ (Reaffirmed)
12 Jul 2016	Cash Credit	Long Term	21.00	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	1.65	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	3.00	ACUITE BB Stable (Assigned)
	Bank Guarantee	Short Term	0.10	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	19.25	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	30.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	1.65	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	3.00	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Radhika Kolwankar Junior Analyst-Rating Operations Tel: 022-49294065 radhika.kolwankar@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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.

Disclaimer: An Acuité 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. Ratings assigned by Acuité 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, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité 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. Ratings assigned by Acuité 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 Acuité.