

Press Release

Chinar Steel Segment Centre Private Limited

August 11, 2020



Rating Update

Total Bank Facilities Rated*	Rs.30.00 Cr. #
Long Term Rating	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*

Refer Annexure for details`

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

ACUITE has downgraded the long term rating to '**ACUITE BB**' (**read as ACUITE double B**) from '**ACUITE BB+**' (**read as ACUITE double B plus**) on the Rs.30.00 Cr bank facilities of Chinar Steel Segment Centre Private Limited. This rating is now an indicative rating and is based on the best available information. The downgrade is due to information risk.

Chinar Steel Segment Centre Private Limited (CSSCPL) was incorporated in 2007 as a steel trading company by Mr. Bankey Bihari Singh. The company is currently engaged in trading of steel scraps (segregated into ferrous and non-ferrous) which are dismantled from plant & machinery (P&M) purchased from sick units as well as from companies where P&M are ideal or in the obsolete state. The P&M which are in good condition are sold directly without dismantling. The steel trading business is shifted in its group concern Chinar Steel Segment Centre (CSSC), a proprietorship firm. The company bids only for government or semi-government tenders.

About the Group

Chinar Group (CG) was founded in 1997 by Mr. Bankey Bihari Singh. The group includes Chinar Steel Segment Centre Private Limited (CSSCPL) and Chinar Steel Segment Centre (CSSC). The group is engaged in trading of steel products and steel scraps of plant & machinery purchased from sick units.

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 the due date.

Acuité 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.

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-52.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>
- Manufacturing Entities-<https://www.acuite.in/view-rating-criteria-59.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 attempts.

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. Crore)	Ratings/Outlook
05-Jun-2019	Cash Credit	Long Term	30.00	ACUITE BB+ / Stable (Upgraded from ACUITE BB)
06-Feb-2019	Cash Credit	Long Term	30.00	ACUITE BB Issuer not co-operating*
30-Nov-2017	Cash Credit	Long Term	30.00	ACUITE BB Issuer not co-operating*

#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	30.00	ACUITE BB Downgraded from ACUITE BB+ Issuer not co-operating*

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

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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 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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