

## Press Release

SREE MINERALS

June 07, 2019



### Rating Update

|                                     |  |
|-------------------------------------|--|
| <b>Total Bank Facilities Rated*</b> | Rs. 70.00 Cr. #                        |
| <b>Long Term Rating</b>             | ACUITE BB-<br>Issuer not co-operating* |

# Refer Annexure for details

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

Acuité has reviewed the long-term rating of '**ACUITE BB-**' (**read as ACUITE double B minus**) on the Rs. 70.00 crore bank facilities of SREE MINERALS. This rating is now an indicative rating and is based on best available information.

SM was established as a partnership firm in 2006 by Mr. B. V. Srinivasa Reddy and his wife Mrs. Srilata Reddy to trade and transport iron ore. Subsequently, from 2009, the firm entered into wind power generation. It has three wind mills in Karnataka with a total installed capacity of 16.20 megawatt (MW) and PPA with BESCOM, GESCOM and CESC for 20 years, 5 years and 20 years respectively. The technical support is provided by Suzlon Energy for generation and supply of electricity.

#### 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>

#### 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                 |
|---------------|---------------------------------|-----------|------------------|---------------------------------|
| 19-Sept.-2016 | Proposed Long Term Loan         | Long Term | 26.00            | ACUITE B+ / Stable (Assigned)   |
| 15-Dec-2017   | Proposed Long Term Loan         | Long Term | 26.00            | ACUITE B+ / Stable (Reaffirmed) |
| 15-Mar-2018   | Term Loan (Proposed)            | Long Term | 26.00            | ACUITE B+ / Stable (Withdrawn)  |
|               | Proposed Overdraft              | Long Term | 70.00            | ACUITE BB- / Stable (Assigned)  |

### #Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate    | Maturity Date  | Size of the Issue (Rs. Cr.) | Ratings                                |
|------------------------|------------------|----------------|----------------|-----------------------------|--|
| Proposed Overdraft     | Not Applicable   | Not Applicable | Not Applicable | 70.00                       | ACUITE BB-<br>Issuer not co-operating* |

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

### Contacts

| Analytical  | Rating Desk   |
|---|---|
| Aditya Gupta<br>Head - Corporate and Infrastructure Sector Ratings<br>Tel: 022-49294041<br><a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a> | Varsha Bist<br>Manager - Rating Desk<br>Tel: 022-67141160<br><a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a> |
| Saurabh Rane<br>Analyst - Rating Operations<br>Tel: 02249294044<br><a href="mailto:Saurabh.Rane@acuiteratings.in">Saurabh.Rane@acuiteratings.in</a>           |   |

### About Acuité Ratings & Research:

Acuité 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 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. Acuité 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, 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. Acuité 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](http://www.acuite.in)) for the latest information on any instrument rated by Acuité.