

## Press Release

Sree Minerals

August 29, 2020

## Rating Update



<b>Total Bank Facilities Rated*</b>	Rs.70.00 Cr.#
<b>Long Term Rating</b>	ACUITE B+ (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 B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) on the Rs.70.00 crore bank facilities of Sree Minerals. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

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 windmills 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:

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.

### Applicable Criteria

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

### 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.

### Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
07-June-19	Proposed Overdraft	Long Term	70.00	ACUITE BB- Issuer not co-operating*
15-Mar-18	Term Loan (Proposed)	Long Term	26.00	ACUITE B+ / Stable (Withdrawn)
	Proposed overdraft	Long Term	70.00	ACUITE BB-/ Stable (Assigned)
15-Dec-17	Proposed Long Term Loan	Long Term	26.00	ACUITE B+ / Stable 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. Crore)	Ratings/Outlook
Proposed Overdraft	Not Applicable	Not Applicable	Not Applicable	70.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*

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

### Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>  Kumar Abhishek Analyst - Rating Operations Tel: 011-49731303 <a href="mailto:Kumar.abhishek@acuite.in">Kumar.abhishek@acuite.in</a>	Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>

### About Acuité Ratings & Research:

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