

Press Release

Ravi Iron Limited

March 20, 2023



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	23.00	ACUITE BB- Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	23.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE BB-' (read as ACUITE double B minus)** on the Rs. 23.00 crore bank facilities of Ravi Iron Limited (RIL). This rating is now an indicative rating and is based on best available information. Rating has been marked as indicative on account of information risk.

About the Company

New Delhi based, RIL was incorporated in 1997 by Mr. Ravindra Kumar Garg and his son, Mr. Manu Garg, RIL is engaged in trading of long and flat steel products. Some of the products the company deals in are steel plates, steel bars, rounds and channels. Company also undertakes EPC contracts for installation of solar power plant.

Non-cooperation by the issuer/borrower

Acuite has been requesting for information critical for rating exercise from the rated entity. However, the issuer / borrower failed to submit such information before due date. Acuite believes that information risk is a critical component in such ratings, and non - cooperation by the issuer along with 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 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 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.

Rating Sensitivities

No information has been shared by the entity for Acuite to comment

Material Covenants

None

Liquidity Position

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

Outlook:

Not Applicable

Other Factors affecting Rating

None

Key Financials:

The entity has not shared the latest financial statement for Acuite to comment upon.

Status of non-cooperation with previous CRA

ICRA, vide its press release dated February 22, 2023 had denoted the rating of Ravi Iron Limited as 'ICRA B+; ISSUER NOT COOPERATING' on account of lack of adequate information required for monitoring of ratings.

CRISIL, vide its press release dated February 24, 2022 had denoted the rating of Ravi Iron Limited as 'CRISIL B+; ISSUER NOT COOPERATING' on account of lack of adequate information required for monitoring of ratings.

Any other information

Acuite is yet to receive the latest NDS (No Default Statement) despite repeated request and followups.

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitle: <https://www.acuite.in/view-rating-criteria-61.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
12 Jan 2022	Cash Credit	Long Term	21.60	ACUITE BB- Stable (Assigned)
	Proposed Cash Credit	Long Term	1.40	ACUITE BB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Karur Vysya Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	21.60	ACUITE BB- Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	1.40	ACUITE BB- Reaffirmed Issuer not co-operating*

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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.

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