

## Press Release

Shah Brothers Ispat Private Limited

July 05, 2022



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	33.20	ACUITE D   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	361.80	-	ACUITE D   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	395.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has downgraded its long term rating to 'ACUITE D (read as ACUITE D)' from 'ACUITE B-' (read as ACUITE B minus) and the short term rating to 'ACUITE D (read as ACUITE D)' from 'ACUITE A4' (read as ACUITE A Four) on the Rs.395.00 crore bank facilities of Shah brother Ispat private limited. The rating continues to be flagged as "Issue Not-Cooperating". The downgrade is on the basis of publicly available information that the company has delayed in servicing of its debt obligation.

### About the Company

Shah Brothers Ispat Private Limited (SBIPL) is a Mumbai based company established in 1958 and promoted by Mr. Rajesh Shah and Mr. Sanjiv Mehta. SBIPL is engaged trading of iron and steel products such as Boiler quality steel plates, vessel steel plates, HR Coils, Mild Steel Plates, Alloy Steel Plates and High Strength Steel Plates. SBIPL is an importer and distributor of boiler quality steel plates in India. The promoters of the firm Mr. Rajesh Shah and Mr. Sanjiv Mehta possess around three decades experience in metal trading 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 due date. This rating continues to be 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.

### 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

### Other Factors affecting Rating

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### Status of non-cooperation with previous CRA

None

### Any other information

Brickwork Ratings vide its press release dated June 09, 2022 had downgraded the rating of Shah Brothers Ispat Private Limited as 'BWR D'.

### Applicable Criteria

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

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
17 Mar 2022	Cash Credit	Long Term	7.70	ACUITE B- ( Issuer not co-operating*)
	Bank Guarantee	Short Term	3.74	ACUITE A4 ( Issuer not co-operating*)
	Cash Credit	Long Term	4.50	ACUITE B- ( Issuer not co-operating*)
	Proposed Letter of Credit	Short Term	0.80	ACUITE A4 ( Issuer not co-operating*)
	Bank Guarantee	Short Term	3.25	ACUITE A4 ( Issuer not co-operating*)
	Letter of Credit	Short Term	43.75	ACUITE A4 ( Issuer not co-operating*)
	Letter of Credit	Short Term	43.75	ACUITE A4 ( Issuer not co-operating*)
	Bank Guarantee	Short Term	3.25	ACUITE A4 ( Issuer not co-operating*)
	Bank Guarantee	Short Term	12.50	ACUITE A4 ( Issuer not co-operating*)
	Letter of Credit	Short Term	168.50	ACUITE A4 ( Issuer not co-operating*)
	Cash Credit	Long Term	16.50	ACUITE B- ( Issuer not co-operating*)

	Letter of Credit	Short Term	82.26	ACUITE A4 ( Issuer not co-operating*)
	Cash Credit	Long Term	4.50	ACUITE B- ( Issuer not co-operating*)
18 Dec 2020	Bank Guarantee	Short Term	3.25	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	3.25	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	4.50	ACUITE B- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	7.70	ACUITE B- (Downgraded and Issuer not co-operating*)
	Proposed Letter of Credit	Short Term	0.80	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	4.50	ACUITE B- (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	82.26	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	43.75	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	16.50	ACUITE B- (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	168.50	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	43.75	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	12.50	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	3.74	ACUITE A4 (Downgraded and Issuer not co-operating*)
		Short		ACUITE A4+ (Downgraded from ACUITE
01 Feb 2019	Bank Guarantee	Term	3.74	A3+)
	Letter of Credit	Short Term	82.26	ACUITE A4+ (Downgraded from ACUITE A3+)
	Bank Guarantee	Short Term	3.25	ACUITE A4+ (Downgraded from ACUITE A3+)
	Cash Credit	Long Term	16.50	ACUITE BB+   Negative (Downgraded from ACUITE BBB   Stable)
	Cash Credit	Long Term	4.50	ACUITE BB+   Negative (Downgraded from ACUITE BBB   Stable)
	Bank Guarantee	Short Term	12.50	ACUITE A4+ (Downgraded from ACUITE A3+)
	Letter of Credit	Short Term	43.75	ACUITE A4+ (Downgraded from ACUITE A3+)
	Letter of Credit	Short Term	168.50	ACUITE A4+ (Downgraded from ACUITE A3+)
	Proposed Letter of Credit	Short Term	0.80	ACUITE A4+ (Downgraded from ACUITE A3+)
	Cash Credit	Long Term	4.50	ACUITE BB+   Negative (Downgraded from ACUITE BBB   Stable)
	Cash Credit	Long Term	7.70	ACUITE BB+   Negative (Downgraded from ACUITE BBB   Stable)
	Letter of Credit	Short Term	43.75	ACUITE A4+ (Downgraded from ACUITE A3+)
	Bank Guarantee	Short Term	3.25	ACUITE A4+ (Downgraded from ACUITE A3+)

07 Nov 2017	Cash Credit	Long Term	16.50	ACUITE BBB   Stable (Assigned)
	Cash Credit	Long Term	7.70	ACUITE BBB   Stable (Assigned)
	Cash Credit	Long Term	4.50	ACUITE BBB   Stable (Assigned)
	Cash Credit	Long Term	4.50	ACUITE BBB   Stable (Assigned)
	Bank Guarantee	Short Term	12.50	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	168.50	ACUITE A3+ (Assigned)
	Bank Guarantee	Short Term	3.74	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	82.26	ACUITE A3+ (Assigned)
	Bank Guarantee	Short Term	3.25	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	43.75	ACUITE A3+ (Assigned)
	Bank Guarantee	Short Term	3.25	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	43.75	ACUITE A3+ (Assigned)
	Proposed Letter of Credit	Short Term	0.80	ACUITE A3+ (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Central Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	12.50	ACUITE D   Downgraded   Issuer not co-operating*
Union Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	3.74	ACUITE D   Downgraded   Issuer not co-operating*
Bank of Baroda	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	3.25	ACUITE D   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	3.25	ACUITE D   Downgraded   Issuer not co-operating*
Central Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	16.50	ACUITE D   Downgraded   Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.70	ACUITE D   Downgraded   Issuer not co-operating*
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE D   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE D   Downgraded   Issuer not co-operating*
Central Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	168.50	ACUITE D   Downgraded   Issuer not co-operating*
Bank of Baroda	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	43.75	ACUITE D   Downgraded   Issuer not co-operating*
Union Bank	Not	Letter of	Not	Not	Not		ACUITE D   Downgraded

of India	Applicable	Credit	Applicable	Applicable	Applicable	82.26	Issuer not co-operating*
State Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	43.75	ACUITE D   Downgraded   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Letter of Credit	Not Applicable	Not Applicable	Not Applicable	0.80	ACUITE D   Downgraded   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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