

Press Release

S S Rail Works Private Limited

December 31, 2019

Rating Update



Total Bank Facilities Rated#	Rs.30.00 Cr.
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Short Term Rating	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and the short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.30.00 crore bank facilities of S S Rail Works Private Limited (SSRWPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

SS Rail Works Private Limited was incorporated in 2014 under the directorship of Mr. Srinivasulu Reddy Annam Reddy and Mrs. Padmavathi Annam Reddy. Later on the Mr. Venkat Manish Reddy Annamreddy and Ms. Sree Manmitha Ammanreddy joined in as directors. The company was incorporated to take over the running business of S & S Enterprises (established in 1995 as a proprietorship concern of Mr. Srinivasulu Reddy Annam Reddy). The company was initially engaged in manufacturing of electronic items and supply to Railways. Later in 2003 the company started undertaking contracts for railway signalling. Further the company has also started undertaking engineering order from last two years for setting up electronic interlocking systems at the railway stations.

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.

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.

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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). 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.

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
09-Apr-19	Cash Credit	Long Term	2.00	ACUITE BBB- Issuer not co-operating*
	Bank Guarantee	Short Term	13.00	ACUITE A3 Issuer not co-operating*
	Proposed Bank Guarantee	Short Term	15.00	ACUITE A3 Issuer not co-operating*
19-Jan-18	Cash Credit	Long Term	2.00	ACUITE BBB-/ Stable (Assigned)
	Bank Guarantee	Short Term	13.00	ACUITE A3 (Assigned)
	Proposed Bank Guarantee	Short Term	15.00	ACUITE A3 (Assigned)

Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Proposed Bank Guarantee/Letter of Guarantee**	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*

**Sublimit of BG is LC of Rs. 1.00 crore. Facility up to Rs. 1.30 crore from BG can be utilized for CC.

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

Contacts

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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.

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