

Press Release

Sree Rengaraj Ispat Industries Private Limited

October 16, 2019



Rating Update

Total Bank Facilities Rated*	Rs. 125.00 Cr. #
Long Term Rating	ACUITE BBB- Issuer not co-operating* (Withdrawn)
Short Term Rating	ACUITE A3 Issuer not co-operating* (Withdrawn)

Refer Annexure for details

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

Acuité has withdrawn long-term rating of '**ACUITE BBB-**' (**read as ACUITE triple B minus**) and short-term rating of '**ACUITE A3**' (**read as ACUITE A three**) on the Rs. 125.00 crore bank facilities of SREE RENGARAJ ISPAT INDUSTRIES PRIVATE LIMITED (SRIIPL). This rating is now withdrawn, indicative and is based on best available information.

The rating is being withdrawn on account of request received from the company and NOC from the Bankers.

Tamil Nadu-based, Sree Rengaraj Steel and Alloys Private Limited is a steel manufacturing company established in 1973 by Mr. P.V.Pandurangan, taking up the operations of rolling mills. Later, Sree Rengaraj Ispat Industries Private Limited, a group company was incorporated in 2004 by Mr. Pandurangan Sampath Kumar, Mr. Pandurangan Siva Kumar, Mr. Pandurangan Srinivasan engaged in the manufacturing of steel, MS Billets, TMT bars and power generations. The company has installed capacity of 81000 MT for sponge iron, 81000 MT for MS billet and 50000 MT for MS bars & TMT. Moreover the company has 8MW waste heat recovery system and 30 MW thermal power plant.

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>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.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)

Not Applicable

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
23-Apr-2019	Term Loans	Long Term	30.00	ACUITE BBB- Issuer not co-operating*
	Term Loans	Long Term	9.00	ACUITE BBB- Issuer not co-operating*
	Cash Credit	Long Term	7.00	ACUITE BBB- Issuer not co-operating*
	Cash Credit	Long Term	12.00	ACUITE BBB- Issuer not co-operating*
	Letter of credit	Short Term	12.00	ACUITE A3 Issuer not co-operating*
	Letter of credit	Short Term	50.00	ACUITE A3 Issuer not co-operating*
	Proposed Short Term Loan	Short Term	5.00	ACUITE A3 Issuer not co-operating*
15-Feb-2018	Term Loans	Long Term	30.00	ACUITE BBB- / Stable (Assigned)
	Term Loans	Long Term	9.00	ACUITE BBB- / Stable (Assigned)
	Cash Credit	Long Term	7.00	ACUITE BBB- / Stable (Assigned)
	Cash Credit	Long Term	12.00	ACUITE BBB- / Stable (Assigned)
	Letter of credit	Short Term	12.00	ACUITE A3 (Assigned)
	Letter of credit	Short Term	50.00	ACUITE A3 (Assigned)
	Proposed Short Term Loan	Short Term	5.00	ACUITE A3 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term Loans	Not Applicable	Not Applicable	Not Applicable	30.00	ACUITE BBB- (Withdrawn) Issuer not co-operating*
Term Loans	Not Applicable	Not Applicable	Not Applicable	9.00	ACUITE BBB- (Withdrawn) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE BBB- (Withdrawn) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE BBB- (Withdrawn) Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE A3 (Withdrawn) Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	50.00	ACUITE A3 (Withdrawn) Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A3 (Withdrawn) 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 Ratings Tel: 022-4929041 aditya.gupta@acuite.in P Krishi Keyan Analyst - Rating Operations Tel: 040-40274590 krishi.keyan@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in

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) for the latest information on any instrument rated by Acuité.