

Press Release

Raigarh Ispat And Power Limited

February 02, 2021



Rating Withdrawn

Total Bank Facilities Rated*	Rs.78.50 Cr.#
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB/Stable) Withdrawn; Issuer Not Co-operating*
Short Term Rating	ACUITE A4+ (Downgraded from ACUITE A3+) Withdrawn; Issuer Not Co-operating*

Refer Annexure for details

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

Rating Rationale

Acuité has downgraded and withdrawn the long term rating of '**ACUITE BB+**' (read as '**ACUITE double B plus**') from '**ACUITE BBB**' (read as **ACUITE triple B**) and short term of '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3+**' (read as **ACUITE A three plus**) on the Rs.78.50 Cr bank facilities of Raigarh Ispat And Power Private Limited (RIPPL).

The rating is being withdrawn on account of request received from the company and NOC received from the bankers and is in accordance with Acuité's policy on withdrawal of rating. The rating is an indicative rating and is based on the best available information.

Raigarh based, RIPPL was incorporated in 2004 by Mr. Kamal Kishor Agrawal, Mr. Sushil Kumar Agrawal and Mr. Shrawan Kumar Agrawal. RIPPL is engaged in the manufacturing of sponge iron with an installed capacity of 1,20,000 MTPA. The company has started production of billets from November, 2019 with an installed capacity of 90,000 MTPA. The manufacturing units are located in Raigarh (Chhattisgarh).

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 the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an 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 Acuité's policies.

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). Acuité endeavored 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.

Liquidity Indicators

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

Rating Sensitivity

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

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

Status of non-cooperation with previous CRA (if applicable)

CARE vide its press release dated June 08, 2020 has denoted Raigarh Ispat and Power Private Limited as 'CARE BB/Stable/CARE A4/ Issuer Not Co-operating; Downgraded'; based on best available information.

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
25-Nov-2019	Cash Credit	Long Term	23.50	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	9.00	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	40.00	ACUITE BBB/Stable (Assigned)
	Cash Credit	Long Term	5.00	ACUITE BBB/Stable (Assigned)
	Bank Guarantee	Short Term	1.00	ACUITE A3+ (Reaffirmed)
20-Feb-2019	Cash Credit	Long Term	23.50	ACUITE BBB/Stable (Upgraded)
	Term Loan	Long Term	9.00	ACUITE BBB/Stable (Assigned)
	Bank Guarantee	Short Term	1.00	ACUITE A3+ (Upgraded)
26-Feb-2018	Cash Credit	Long Term	17.50	ACUITE BBB-/Stable (Assigned)
	Bank Guarantee	Short Term	1.00	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/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	23.50	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn) Issuer Not Co-operating*
Term Loan	Not Available	Not Applicable	Not Available	9.00	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn) Issuer Not Co-operating*

Term Loan	Not Available	Not Applicable	Not Available	40.00	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn) Issuer Not Co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn) Issuer Not Co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+ (Downgraded from ACUITE A3+; Withdrawn) Issuer Not Co-operating*

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

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research 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 8,465 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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