

Press Release

SKP Steel Industries Private Limited

January 21, 2021



Rating Update

Total Bank Facilities Rated*	Rs.39.00 Cr. #
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB-/Stable) 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.

Acuité 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.39.00 crore bank facilities of SKP Steel Industries Private Limited (SSIPL). The rating is now an indicative rating and is based on the best available information. The downgrade is based on information risk.

Incorporated in 1997, SKP Steel Industries Private Limited (SKP) is a Kolkata based company, promoted by Mr. Surendra Kumar Pasari. The company is engaged in the manufacturing of MS Wires, MS Pipes and Stainless Steel Pipes under the brand "Kings". The company has installed capacity of 34000 metric tonnes per annum (MTPA) of MS pipes, 3000 MTPA of stainless steel (SS) pipes and 1000 tonnes of MS Wires. Currently, the day to day operations of the company are looked after by the second generation of the Pasari family, led by Mr. Anirudh Pasari and Mr. Ayush Pasari, along with the guidance of Mr. Surendra Pasari.

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of SSIPL arrive at this rating.

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>
- Financial Ratios and Adjustments - <https://www.acuite.in/view-rating-criteria-53.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)

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
03-Jun-2019	Cash Credit	Long Term	21.00	ACUITE BBB-/Stable (Reaffirmed)
	Term Loans	Long Term	17.04	ACUITE BBB-/Stable (Reaffirmed)
	Proposed	Long Term	0.21	ACUITE BBB-/Stable (Reaffirmed)
	Bank Guarantee	Short Term	0.75	ACUITE A3 (Reaffirmed)
12-Mar-2018	Cash Credit	Long Term	21.00	ACUITE BBB-/Stable (Assigned)
	Term Loans	Long Term	17.04	ACUITE BBB-/Stable (Assigned)
	Proposed	Long Term	0.21	ACUITE BBB-/Stable (Assigned)
	Bank Guarantee	Short Term	0.75	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 Available	Not Available	Not Available	21.00	ACUITE BB+ (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Term Loans	Not Applicable	Not Applicable	Not Applicable	17.04	ACUITE BB+ (Upgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Proposed	Not Available	Not Available	Not Available	0.21	ACUITE BB+ (Upgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Bank Guarantee	Not Available	Not Available	Not Available	0.75	ACUITE A4+ (Upgraded from ACUITE A3) Issuer not co-operating*

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

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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 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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