

Press Release



Rassco Steels Limited

October 12, 2021

Rating Update

| | |
|------------------------------------|---------------------------------------|
| Total Bank Facilities Rated | Rs. 17.00 crore |
| Long Term Rating | ACUITE BB (Issuer not Cooperating) |

* Refer Annexure for details

Rating Rationale

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

Acuité has reviewed the long-term rating of '**ACUITE BB**' (read as **ACUITE double B**) on the Rs.17.00 crore bank facilities of Rassco Steels Limited (RSL). This rating is now an indicative rating and is based on the best available information.

About the Company

RSL was established in 1992 by Mr. Ashok Kumar Gupta. The company is engaged in trading and supplying of iron and steel products such as MS billet, MS ingots, HR coils, CR coils, TMT bars, rounds and flats among others. The company procures mainly from TATA Steel Limited and Steel Authority of India Limited (SAIL) apart from local manufacturers in West Bengal.

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.

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.

Analytical Approach

Acuité has considered the standalone financial and business risk profiles of the firm to arrive at the rating.

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>

Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.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 (Standalone)

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

Status of non-cooperation with previous CRA

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 | Ratings/Outlook |
|----------------|---------------------------------|-----------|-------------|--------------------------------|
| | | | (Rs. Crore) | |
| 03-August-2020 | Cash Credit | Long term | 17.00 | ACUITE BB/Stable (Reaffirmed) |
| 31-May-2019 | Cash Credit | Long term | 17.00 | ACUITE BB/Stable (Reaffirmed)) |
| 28-March-2018 | Cash Credit | Long term | 17.00 | ACUITE BB/ (Assigned) |

*Annexure – Details of instruments rated

| Lender's Name | Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings/Outlook |
|--|------------------------|------------------|----------------|----------------|-----------------------------|------------------------|
| Punjab National bank (earlier Oriental Bank of Commerce) | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 17.00 | ACUITE BB (Indicative) |

Contacts

| Analytical | Rating Desk |
|---|---|
| Pooja Ghosh Head- Corporate and Infrastructure Sector Ratings Tel: 033-6620 1203 pooja.ghosh@acuite.in Shubhaditya Sarkar Analyst - Rating Operations Tel: 033-6620 1212 shubhaditya.sarkar@acuite.in | Varsha Bist Senior Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in |

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 8,850 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 Kanjurmarg, 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 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.