



Press Release

Petropol India Limited

August 25, 2020

Rating Update

Total Bank Facilities Rated*	Rs. 14.00 crore
Long Term Rating	ACUITE BB (Downgraded; Issuer not co-operating)

* Refer Annexure for details

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB**' (**read as ACUITE Double B**) from '**ACUITE BB+**' (**read as ACUITE double B plus**) on the Rs. 14.00 crore bank facilities of Petropol India Limited (PIL). The rating is downgraded on account of information risk.

Rajasthan-based, Petropol India Limited was incorporated in 1995 by Mr. Vijay Garg, Mr. Kamal Bansal and Mr. Ashok Kumar Garg. The company is engaged in the manufacturing of TMT Mild Steel bars with its manufacturing facility located in Bhiwadi (Rajasthan) and has an installed capacity of 80000 metric tons per annum. The products are sold under the 'Metro' brand name. PIL is an ISO certified company (ISO 9001-2008) and is also approved by DGS&D (Director General of supplies and disposal).

Analytical Approach

Acuité has considered the standalone business and financial risk profile of PIL to arrive at the 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.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Entities in Manufacturing Sector- <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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)

None

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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
June 14, 2019	Cash Credit	Long-Term	12.00	ACUITE BB+/ Stable (Reaffirmed)
	Term Loan	Long-Term	2.00	ACUITE BB+/ Stable (Reaffirmed)
March 29, 2018	Cash Credit	Long-Term	12.00	ACUITE BB+/ Stable (Assigned)
	Term Loan	Long-Term	2.00	ACUITE BB+/ Stable (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	12.00	ACUITE BB (Downgraded; Issuer not-cooperating*)
Term Loan	Not applicable	Not applicable	Not applicable	2.00	ACUITE BB (Downgraded; Issuer not-cooperating*)

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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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