

Press Release

Shristi Ispat & Alloys Limited

November 17, 2021



Rating Downgraded and Issuer not co-operating

Product	Net Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	2.00		ACUITE A4+ Downgraded Issuer not co-operating*
Bank Loan Ratings	30.00	ACUITE BB+ Downgraded Issuer not co-operating*	
Total	32.00	-	-

* Refer Annexure for details

Rating Rationale

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.32.00 crore bank facilities of Shristi Ispat & Alloys Limited (SIAL). The rating is now flagged as 'Issuer Not- Cooperating' and is downgraded is on account of information risk.

About the Entity

Incorporated in 2004, Shristi Ispat and Alloys Limited (SIAL) is a Kolkata based company engaged in manufacturing of TMT bars, MS round, nail, winding wires, ribbed bars and HB wire. The raw material required is billets procured locally and sold to customers located in Eastern India. Currently, the company is operated by its directors, Mr. Naresh Kumar Mawandia, Mr. Sanjay Kumar Dalmia, Mr. Santosh Kumar Kedia, Mr. Shankar Lal Agrawal and Mr. Purusottam Das Dalmia. The manufacturing unit is located in Bankura district of West Bengal. The installed capacity is 90000 tonnes per annum with utilization of around 90 per cent.

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.

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 Position

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

Rating Sensitivities

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

Material Covenants

None

About the Rated Entity - Key Financial

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

Status of non-cooperation with previous CRA

Not Applicable

Outlook

Not Applicable

Any other information

None

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>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
04 Sep 2020	Proposed Bank Guarantee	Short Term	2.00	ACUITE A3 (Assigned)
	Proposed Cash Credit	Long Term	5.10	ACUITE BBB- Stable (Assigned)
	Proposed Term Loan	Long Term	15.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	9.90	ACUITE BBB- Stable (Upgraded from ACUITE BB+)
24 Dec 2019	Cash Credit	Long Term	8.50	ACUITE BB+ (Issuer not co-operating*)
14 Aug 2019	Cash Credit	Long Term	8.50	ACUITE BBB- (Issuer not co-operating*)
27 Jun 2018	Cash Credit	Long Term	8.50	ACUITE BBB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Size Of Issue	Rating
HDFC Bank Ltd	Cash Credit	Not Applicable	Not Applicable	Not Applicable	9.90	ACUITE BB+ Downgraded Issuer not co-operating*
Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.10	ACUITE BB+ Downgraded Issuer not co-operating*
Not Applicable	Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE BB+ Downgraded Issuer not co-operating*
Not Applicable	Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Downgraded 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 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.

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