

Press Release

Renny Steels

December 17, 2020



Rating Update

Total Bank Facilities Rated*	Rs.25.50 Cr.#
Long Term Rating	ACUITE D (Downgraded from ACUITE BB/Stable) Issuer not co-operating*
Short Term Rating	ACUITE D (Downgraded from ACUITE A4+) Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE D' (read as ACUITE D)** from '**ACUITE BB' (read as ACUITE double B)** and the short-term rating to '**ACUITE D' (read as ACUITE D)** from '**ACUITE A4+' (read as ACUITE A four plus)** on the Rs.25.50 crore bank facilities of Renny Steels. This rating is now an indicative rating and is downgraded on account of written acknowledgement by the company that the account has been classified as NPA.

Renny Steels (RS) was established in 2006 as a partnership concern and is promoted by Mr. Ravinder Malik and Mrs. Prabha Malik. The firm is engaged in manufacturing of iron and steel ingots; round, flat, hexagonal bars from iron scrap and rounds, squares from steel. The firm procures its raw materials from Delhi and Himachal Pradesh and sells its products to its customers based in the northern region of the country. The firm has its manufacturing unit located in Baddi (Himachal Pradesh).

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

- 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 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 attempts.

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
07-Oct-2019	Cash Credit	Long Term	25.04	ACUITE BB/Stable (Downgraded from ACUITE BB+/Stable)
	Bank guarantee/Letter of guarantee	Short Term	0.46	ACUITE A4+ (Reaffirmed)
25-Jul-2018	Cash Credit	Long Term	25.04	ACUITE BB+/Stable (Assigned)
	Bank guarantee/Letter of guarantee	Short Term	0.46	ACUITE A4+ (Assigned)

*Annexure – Details of instruments rated

Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Not Applicable	Not Applicable	Not Applicable	25.04	ACUITE D (Downgraded from ACUITE BB) Issuer not co-operating*
Not Applicable	Not Applicable	Not Applicable	0.46	ACUITE D (Downgraded from ACUITE A4+) 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 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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