

Press Release

RNV Industries Private Limited

September 09, 2021



Rating Update

Total Bank Facilities Rated*	Rs.200.00 Cr. #
Long Term Rating	ACUITE BB+ Issuer Not Cooperating* (Downgraded from ACUITE BBB-/Stable)

#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 BB+**' (**read as ACUITE double B plus**) from '**ACUITE BBB-**' (**read as ACUITE triple B minus**) on the Rs.200.00 crore bank facilities of RNV Industries Pvt. Ltd. (RIPL). Further, the rating is now flagged as an 'Issuer Not-Cooperating' based on best available information and as per Acuité policy.

About the Company

Incorporated in 2012, RIPL is a part of Mumbai-based Arya Group established in 1975. The RNV group is promoted by Mr. Ravi Arya and is engaged in ship breaking, ship trading, ship chartering along with trading of steel coils plates and sheets. RIPL is engaged in trading of HR/CR steel sheets, coil and plates and operates from Mumbai.

Analytical Approach

Acuité has consolidated financial and business profiles of RNV Industries Private Limited and Integral Industries Private Limited together referred to as the RNV Group. The consolidation is in view of the common ownership, same line of business and operational linkages within the group. Extent of consolidation: Full.

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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies - <https://www.acuite.in/view-rating-criteria-60.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 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.

Liquidity Indicators

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

Rating Sensitivities

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

Key Financials

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

Status of non-cooperation with previous CRA (if applicable)

CRISIL vide press release dated August 16, 2021 has mentioned rating of RIPL as 'B+ Issuer Not Cooperating' and 'A4 Issuer Not Cooperating' as on August 16, 2021.

Any other information

Not Applicable

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
29-Oct-2019	Letter of Credit	Long-term	200.00	ACUITE BBB-/Stable (Reaffirmed)
30-Jul-2018	Letter of Credit	Long-term	200.00	ACUITE BBB-/Stable (Assigned)

Sublimit to FLC: ILC of Rs. 50.00 crore -DP/DA of usance up to 90 days; Letter of guarantee of Rs. 5.00 crore; Cash credit of Rs. 75.00 crore

*Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Central Bank of India	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	200.00	ACUITE BB+ Issuer Not Cooperating (Downgraded from ACUITE BBB-/Stable)

Sublimit to FLC: ILC of Rs. 50.00 crore -DP/DA of usance up to 90 days; Letter of guarantee of Rs. 5.00 crore; Cash credit of Rs. 75.00 crore

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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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