

Press Release

Sky Alloy And Power Private Limited

February 02, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	72.00	ACUITE B- Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	10.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	82.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has reaffirmed the long-term rating of '**ACUITE B-**' (**read as ACUITE B minus**) and the short term rating of '**ACUITE A4**' (**read as ACUITE A four**) on the Rs. 82.00 crore bank facilities of Sky Alloys and Power Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

About the Company

Sky Alloys and Power Private Limited (SAPPL), a Raipur based company, was incorporated in May 2009 by Mr. Ravi Singhal and Mr. Vinay Kumar Agrawal. The commercial operations started in 2013 while the installation of plant and machinery were set up in 2011. SAPPL, is currently being managed by Mr Ravi Singhal. The Company started its initial production of MS Ingots with a capacity of 200 tons per day and a power plant with a capacity of 16 MW along with two furnaces for Ingots. Currently, the company produces Sponge Iron with a capacity of 60000 Metric tons per annum and MS Ingots of 48000 Metric tons per annum.

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.

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.

About the Rated Entity - Key Financials

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

Rating Sensitivity

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

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.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
03 Nov 2020	Letter of Credit	Short Term	10.00	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	50.00	ACUITE B- (Issuer not co-operating*)
	Term Loan	Long Term	19.38	ACUITE B- (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	2.62	ACUITE B- (Issuer not co-operating*)
26 Aug 2019	Term Loan	Long Term	0.80	ACUITE B- Stable (Assigned)
	Term Loan	Long Term	5.37	ACUITE B- Stable (Assigned)
	Proposed Bank Facility	Long Term	2.62	ACUITE B- Stable (Assigned)
	Cash Credit	Long Term	15.75	ACUITE B- Stable (Assigned)
	Cash Credit	Long Term	34.25	ACUITE B- Stable (Reaffirmed)
	Letter of Credit	Short Term	10.00	ACUITE A4 (Assigned)
	Term Loan	Long Term	7.57	ACUITE B- Stable (Assigned)
	Term Loan	Long Term	4.04	ACUITE B- Stable (Assigned)
13 Aug 2019	Term Loan	Long Term	1.60	ACUITE B- Stable (Assigned)
	Cash Credit	Long Term	32.00	ACUITE B- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	50.00	ACUITE B- Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.62	ACUITE B- Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	19.38	ACUITE B- Reaffirmed Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in
Rohan Gambhir Management Trainee-Rating Operations Tel: 022-49294065 rohan.gambhir@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, in particular, 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.