

## Press Release

Rashmi Rare Earth Limited

April 25, 2022



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	50.00	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	50.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has downgraded its long term rating to '**ACUITE BB+**' (read as **ACUITE Double B plus**) from '**ACUITE BBB-**' (read as **ACUITE Triple B minus**) on the Rs. 50.00 crore bank facilities of Rashmi Rare Earth Limited. The rating downgraded is on account of information risk required for review of ratings. The rating is now an indicative rating and is based on the best available information.

### About the Company

Rashmi Rare Earth Limited (RREL) was incorporated in 2011 by Mr. Sunil Patwari and Mrs. Sarika Patwari of the Kolkata based Rashmi group. Currently, the day to day operations of the company are managed by Mr. Sunil Kumar Patwari, Mr. Mintu Saha, Mr. Binod Gupta and Mr. Jaiprakash Rai. The company is in the process of installing of Surface Mount Technology (SMT) lines, electronic device assembly line and testing & packaging lines. The company provides Electronic Manufacturing Services (EMS) to various Clients like Reliance Retail Ltd, LG Electronics India Ltd, Honeywell to name a few.

### About the Group

Rashmi Group is engaged in manufacturing of integrated Iron & Steel Products, Cement, Power and Ferro Alloys. The group is headed by Mr. Sajjan Kumar Patwari and his three sons Mr. Sunil Kumar Patwari, Mr. Sanjib Kumar Patwari and Mr. Sanjay Kumar Patwari, the group has its corporate office at Kolkata, and factories located at Kharagpur and Jhargram respectively. Its products and services range from DI Pipes, TMT Bars, Pig Iron, Wire Rods, MS Billets, Sponge Iron, Sinter, Ferro Alloys, Pellet Plant and Cement to Laptops, Netbooks, All-In-One PCs and also Dredging.

### Non-cooperation by the issuer/borrower

Acuite 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 notcooperating", in line with prevailing SEBI regulations and Acuite'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.

### Rating Sensitivities

"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.

### Key Financials:

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

### Status of non-cooperation with previous CRA

None.

### Any other information

None.

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
27 Apr 2020	Proposed Cash Credit	Long Term	18.00	ACUITE BBB-   Stable (Assigned)
	Term Loan	Long Term	28.00	ACUITE BBB-   Stable (Assigned)
	Cash Credit	Long Term	4.00	ACUITE BBB-   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE BB+   Downgraded   Issuer not co-operating*
Indian Bank	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	18.00	ACUITE BB+   Downgraded   Issuer not co-operating*
Indian Bank	Not Applicable	Term Loan	Not available	Not available	Not available	28.00	ACUITE BB+   Downgraded   Issuer not co-operating*

## Contacts

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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