

Press Release

Kapilansh Dhatu Udyog Private Limited

December 09, 2021



Rating Downgraded & Withdrawn and Issuer not co-operating

Product	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	2.50	0.00		ACUITE A4 Downgraded & Withdrawn Issuer not co-operating*
Bank Loan Ratings	17.50	0.00	ACUITE B+ Downgraded & Withdrawn Issuer not co-operating*	
Total	20.00	0.00	-	-

Rating Rationale

Acuité has downgraded and withdrawn the long-term rating of 'ACUITE B+' (read as ACUI TE B plus) and short-term rating of 'ACUI TE A4' (read as ACUITE A four) on the Rs.20.00 crore bank facilities of Kapilansh Dhatu Udyog Private Limited (KDUPL) . The rating withdrawal is in accordance with Acuité's policy on withdrawal of rating. This rating continues to be flagged as "Issuer Not-Cooperating". The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the Entity

Incorporated in 1988, Kapilansh Dhatu Udyog Private Limited (KDUPL) is engaged in manufacturing of cast iron pipes. The day to day operations are managed by its managing director, Mr. Mukund Sunderlal Mohta along with other directors, Mr. Ramesh Baldeodas Dujari and Mr. Navin Rajkumar Mohta. Company has 2 manufacturing units, 1 in Nagpur and another in Borgaon, Madhya Pradesh. Total capacity of both the units is around 2000 to 2500 tonnes per month.

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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with 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 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.

Material Covenants

None

Outlook: Not Applicable

Liquidity Position

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 Financial

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

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

- 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>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
09 Nov 2020	Proposed Bank Facility	Long Term	0.96	ACUITE BB- Stable (Assigned)
	Cash Credit	Long Term	8.00	ACUITE BB- Stable (Assigned)
	Letter of Credit	Short Term	1.00	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	1.50	ACUITE A4+ (Assigned)
	Term Loan	Long Term	8.54	ACUITE BB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr.)	Rating
Saraswat Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	1.50	0.00	ACUITE A4 Downgraded & Withdrawn Issuer not co-operating*
Saraswat Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	8.00	0.00	ACUITE B+ Downgraded & Withdrawn Issuer not co-operating*
Saraswat Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	0.00	ACUITE A4 Downgraded & Withdrawn Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.96	0.00	ACUITE B+ Downgraded & Withdrawn Issuer not co-operating*
Saraswat Bank	Not Applicable	Term Loan	Not available	Not available	Not available	8.54	0.00	ACUITE B+ Downgraded & Withdrawn 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
Dipti Ahire Management Trainee-Rating Operations Tel: 022-49294065 dipti.ahire@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.

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