

Press Release

Rama Udyog Private Limited

February 07, 2022



Rating Downgraded & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	27.50	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	27.50	-	-

Rating Rationale

Acuité has downgraded and withdrawn its long term rating to 'ACUITE BB+' (read as ACUITE Double B plus) from 'ACUITE BBB-' (read as ACUITE triple B minus) to the Rs. 27.50 Cr bank facilities of Rama Udyog Private Limited. This rating is now an indicative rating and is based on best available information. The rating is being withdrawn based on the request received from the company and the NOC received from the banker as per Acuite's policy.

About the Company

Incorporated in 2016, Rama Udyog Private Limited (RUPL) is currently managed by Mr. Sanjay Kumar Goyal and Mr. Suresh Kumar Goyal. The company is engaged in manufacturing of sponge iron and MS billet with an installed capacity of 60000 MTPA and 58600 MTPA respectively. The company has its manufacturing facility located at Raipur, Chhattisgarh.

About the Group

Incorporated in 2008, Raipur based Rama Power & Steel Private Limited is engaged in manufacturing of TMT bar with the installed capacity of 100000 MTPA, under the brand name of 'Rama TMT'. Currently, the company is managed by Mr. Sanjay Kumar Goyal and Mr. Suresh Kumar Goyal. The company has its manufacturing facility located at Raipur, Chhattisgarh.

Incorporated in 1992, Raipur based RKS Steel India Private Limited is the flagship company of the group promoted by Mr. Sanjay Kumar Goyal and Mr. Suresh Kumar Goyal and engaged in trading of TMT bar and other structural steel products. Company majorly procures TMT bars from Rama Power & Steel Private Limited and other structural steel products from the local market.

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 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 Acuité to comment upon.

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Key Financials:

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

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of 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>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
20 Nov 2020	Cash Credit	Long Term	27.50	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
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	27.50	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating*

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 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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