



## Press Release

### RAVI STEEL AND RENEWABLES PRIVATE LIMITED (ERSTWHILE RAVI IRON PRIVATE LIMITED)

November 27, 2024

#### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	23.00	ACUITE B+   Downgraded   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	23.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

\* The issuer did not co-operate; based on best available information.

## Rating Rationale

Acuite has downgraded the long-term rating to ‘ACUITE B+’ (read as ACUITE B plus) from ‘ACUITE BB-’ (read as ACUITE Double B minus) on the Rs. 23.00 crore bank facilities of Ravi Steel and Renewables Private Limited (Erstwhile Ravi Iron Private Limited) (RSRPL).

The rating is now flagged as “Issuer Not Cooperating” and is based on the best available information. The rating is downgraded on account of information risk.

## About the Company

New Delhi based, RSRPL was incorporated in 1997 by Mr. Ravindra Kumar Garg and his son, Mr. Manu Garg, RSRPL is engaged in trading of long and flat steel products. Some of the products the company deals in are steel plates, steel bars, rounds and channels. Company also undertakes EPC contracts for installation of solar power plant.

## Unsupported Rating

Not Applicable

## 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. Acuite 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 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). Acuite has endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuite 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.

## Liquidity Position

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

**Outlook: Not Applicable**

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	144.64	174.63
PAT	Rs. Cr.	0.52	0.50
PAT Margin	(%)	0.36	0.29
Total Debt/Tangible Net Worth	Times	1.30	1.67
PBDIT/Interest	Times	1.34	1.26

### 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>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitie: <https://www.acuite.in/view-rating-criteria-61.htm>

### Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
01 Sep 2023	Cash Credit	Long Term	20.45	ACUITE BB-   Stable (Reaffirmed)
	Proposed Cash Credit	Long Term	0.51	ACUITE BB-   Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	2.04	ACUITE BB-   Stable (Reaffirmed)
20 Mar 2023	Cash Credit	Long Term	21.60	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Proposed Cash Credit	Long Term	1.40	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
12 Jan 2022	Proposed Cash Credit	Long Term	1.40	ACUITE BB-   Stable (Assigned)
	Cash Credit	Long Term	21.60	ACUITE BB-   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Karur Vysya Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.45	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Karur Vysya Bank	Not avl. / Not appl.	Covid Emergency Line.	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.04	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.51	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )

\* The issuer did not co-operate; based on best available information.

## Contacts

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### About Acuité Ratings & Research

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