

Press Release

Rashmi Steels

September 12, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	23.50	ACUITE D Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	23.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE D' (read as ACUITE D)** on the Rs.23.50 crore bank facilities of Rashmi Steels (RS). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

RS, a Mumbai-based proprietorship firm, trades in stainless steel pipes, rods, scrap among others. Established in 2001 by Mr. Babulal Bohra, the firm is part of the Rashmi Group which constitutes Rashmi Tubes (India) and Rashmi International. Both the firms are engaged in the trading of stainless steel pipes, ferrous and nonferrous metal scrap. Stainless steel pipes, rods and scrap are procured from local steel manufacturers and sold to traders in Maharashtra and Gujarat.

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 noncooperation 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 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 endeavored 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.

About the Rated Entity - Key Financials

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

Rating Sensitivity

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

Material Covenants

Not Applicable

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Status of non-cooperation with previous CRA

None

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>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
14 Jun 2021	Cash Credit	Long Term	19.50	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	4.00	ACUITE D (Issuer not co-operating*)
18 Mar 2020	Cash Credit	Long Term	19.50	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	4.00	ACUITE D (Issuer not co-operating*)
10 Jan 2019	Cash Credit	Long Term	19.50	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	4.00	ACUITE D (Issuer not co-operating*)
02 Nov 2017	Cash Credit	Long Term	19.50	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	4.00	ACUITE BB 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 India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	19.50	ACUITE D Reaffirmed Issuer not co-operating*
Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	4.00	ACUITE D Reaffirmed Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Radhika Kolwankar Analyst-Rating Operations Tel: 022-49294065 radhika.kolwankar@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

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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