

Press Release

Paviter Metals Private Limited

August 30, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	3.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	5.00	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	8.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 8.00 crore bank facilities of Paviter Metals Private Limited (PMPL). The rating continues to be flagged as "Issuer Not-Cooperating".

About the Company

PMPL was incorporated as a Private Limited Company in the year 2003 by Mr. Baldev Raj, Mr. Naresh Dhawan and Mr. Sanjeev Kumar. The company is engaged in the business of Wholesale trading of Steel like angle, Channel, Round, Hex, Billet, Wire rod in Carbon steel, Alloy steel, Magnesia steel, etc. The registered office and the manufacturing facilities of the company are located in Ludhiana.

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 unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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.

Status of non-cooperation with previous CRA

Not Applicable.

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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
08 Jun 2021	Cash Credit	Long Term	5.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	2.00	ACUITE A4 (Issuer not co-operating*)
	Letter of Credit	Short Term	1.00	ACUITE A4 (Issuer not co-operating*)
16 Mar 2020	Bank Guarantee	Short Term	2.00	ACUITE A4 (Issuer not co-operating*)
	Letter of Credit	Short Term	1.00	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	5.00	ACUITE BB- (Issuer not co-operating*)
05 Jan 2019	Cash Credit	Long Term	5.00	ACUITE BB- (Issuer not co-operating*)
	Bank Guarantee	Short Term	2.00	ACUITE A4 (Issuer not co-operating*)
	Letter of Credit	Short Term	1.00	ACUITE A4 (Issuer not co-operating*)
28 Nov 2017	Cash Credit	Long Term	5.00	ACUITE BB- (Issuer not co-operating*)
	Bank Guarantee	Short Term	2.00	ACUITE A4 (Issuer not co-operating*)
	Letter of Credit	Short Term	1.00	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	5.00	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)

23 Jul 2016	Bank Guarantee	Short Term	2.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Letter of Credit	Short Term	1.00	ACUITE A4 (Downgraded from ACUITE A4+)
19 May 2015	Cash Credit	Long Term	5.00	ACUITE BB Stable (Assigned)
	Bank Guarantee	Short Term	2.00	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	1.00	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B+ Reaffirmed Issuer not co-operating*
Union Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4 Reaffirmed Issuer not co-operating*

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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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