



Press Release

Rama Udyog Private Limited

January 19, 2022

Rating

| Instrument/ Facility | Amount (Rs. Crore) | Rating | Rating Action | Complexity Indicator |
|---------------------------------|-----------------------|--|--|-------------------------|
| Long Term Bank Facilities | 25.00 | IVR BB; ISSUER NOT COOPERATING* (IVR Double B; Issuer Not Cooperating) | Downgraded from IVR BB+; (IVR Double B Plus) and Continued at ISSUER NOT COOPERATING category | Simple |
| Total | 25.00 | INR Twenty-Five Crore Only | | |

**Issuer did not cooperate; based on best available information*

Details of Facility are in Annexure 1

Detailed Rationale

Infomerics has been seeking information from Rama Udyog Private Limited (RUPL) to monitor the rating vide e-mail communications dated October 25,2021, October 28,2021, October 30,2021, and January 12,2022 and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the rating. In line with the extant SEBI guidelines, Infomerics has reviewed the rating on the basis of the best available information. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

Detailed Key Rating Drivers

Annual review for ISSUER NOT COOPERATING based on best available information.

Analytical Approach: Standalone

Applicable Criteria

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

About the Company

RUPL was incorporated in March 2016 in Raipur (Chhattisgarh) is a part of the Rama group formed by the Goyal family of Raipur under the leadership of Mr. Ram Kumar Goyal having



Press Release

more than three decades of experience in the iron and steel industry along with his sons, Mr. Sanjay Goyal and Mr. Suresh Goyal. RUPL is engaged in manufacturing of sponge iron and MS billets.

Currently, Mr. Sanjay Goel (Director) and Mr. Suresh Goel (Director) with more than two decades of experience in the iron and steel industry is at the helm of affairs of the company.

Financials (Standalone):

(Rs. crore)

| For the year ended* / As On | 31-03-2019 |
|-----------------------------|----------------|
| | Audited |
| Total Operating Income | 195.27 |
| EBITDA | 18.89 |
| PAT | 9.56 |
| Total Debt | 59.87 |
| Tangible Net worth | 11.20 |
| EBITDA Margin (%) | 9.67 |
| PAT Margin (%) | 4.89 |
| Overall Gearing Ratio (x) | 5.35 |

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: CARE Ratings continues the rating at issuer non cooperating category vide its PR dated July 12,2021 due to non-submission of information by the company.

Any other information: Nil

Rating History for last three years:

| Sl. No. | Name of Instrument/Facilities | Current Rating (Year 2021-22) | | | Rating History for the past 3 years | | |
|---------|-------------------------------|-------------------------------|--------------------------------|---------------------------------|---|---|---|
| | | Type | Amount Outstanding (Rs. Crore) | Rating | Date(s) & Rating(s) assigned in 2020-21 | Date(s) & Rating(s) assigned in 2019-20 | Date(s) & Rating(s) assigned in 2018-19 |
| 1. | Cash Credit | Long Term | 25.00 | IVR BB; ISSUER NOT COOPERATING* | IVR BB+; ISSUER NOT COOPERATING* (Nov. 03,2020) | IVR BBB-/Stable (Sept 16, 2019) | - |

*Issuer did not cooperate; based on best available information

Name and Contact Details of the Rating Analyst:

| | |
|---|---|
| Name: Mr. Riddham Agarwal Tel: (033) 46022266 Email: riddham.agarwal@infomerics.com | Name: Mr. Avik Podder Tel: (033) 46022266 Email: apodder@infomerics.com |
|---|---|



Press Release

About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine-tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

| Name of Facility | Date of Issuance | Coupon Rate/ IRR | Maturity Date | Size of Facility (Rs. Crore) | Rating Assigned/ Outlook |
|--|------------------|------------------|---------------|------------------------------|-----------------------------------|
| Long Term Fund Based Limits- Cash Credit | - | - | - | 25.00 | IVR BB; (ISSUER NOT COOPERATING*) |

**Issuer did not cooperate; based on best available information*

Annexure 2: Facility wise lender details: Not Available

Annexure 3: List of companies considered for consolidated analysis: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/ facilities: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com