



Press Release

Rudra Green Ship Recycling Private Limited

May 06, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Long term/Short term Bank Facilities	150.00 (including proposed limit of Rs.62.00 crore)	IVR BB [CE]; Issuer Not Cooperating/ IVR A4 [CE]; Issuer Not Cooperating (IVR Double B [Credit Enhancement]; Issuer Not Cooperating / IVR A Four [Credit Enhancement]; Issuer Not Cooperating)*	Downgraded & moved to ISSUER NOT COOPERATING category
Total	150.00		

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

CE rating based on corporate guarantee from Rudra Global Infra Products Limited

Details of Facility are in Annexure 1

Detailed Rationale

The rating downgrade is because of lack of adequate information regarding Rudra Green Ship Recycling Private Limited (RGSRPL)'s performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

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, despite the downgrade.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated April 05, 2021, April 19, 2021 and May 03, 2021 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details and fees for the surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term/short-term ratings for the bank



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loan facilities aggregating to Rs.150.00 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB [CE]; Issuer Not Co-operating; Based on best available information/ IVR A4 [CE]; Issuer Not Co-operating; Based on best available information (IVR Double B [Credit Enhancement]; Issuer Not Co-operating/ IVR A Four [Credit Enhancement]; Issuer Not Co-operating). Its unsupported rating be noted as "IVR BB: Issuer Not Co-operating; Based on best available information. (IVR Double B: Issuer Not Co-operating; Based on best available information)".

Analytical Approach & Applicable Criteria

Standalone

Financial Ratios & Interpretation – (Non-financial Sector)

Guidelines on what constitutes Non-Cooperation by clients

About the Company

Rudra Green Ship Recycling Private Limited (RGSRL), formerly known as Harikrishna Steel Corporation (HSC) is a private limited company converted from a partnership firm on June 12, 2018. Incorporated in 1994, RGSRL is a part of the M.D. Group of Bhavnagar, Gujrat and is engaged in ship recycling activities. Currently, the company operates from the Alang Ship Breaking Yard in Bhavnagar, Gujrat. RGSRL's operations are carried out at the premises leased out by the Gujarat Maritime Board in Bhavnagar.

Financials (Standalone):

For the year ended* / As On	(Rs. crore)	
	31-03-2018	31-03-2019
	Audited	Audited
Total Operating Income	131.97	156.24
EBITDA	7.75	6.79
PAT	2.77	3.49
Total Debt	10.91	15.42
Tangible Net worth	15.85	18.08
EBITDA Margin (%)	5.87	4.35
PAT Margin (%)	2.10	2.24
Overall Gearing Ratio (x)	0.69	0.85

*Classification as per Infomerics' Standard

Status of non-cooperation with previous CRA:



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CRISIL has moved the rating of RGIPL into the Issuer Non-Cooperating category as the company did not co-operate in the rating procedure despite repeated follow ups as per the Press Release dated April 21, 2021.

Any other information: Nil

Rating History for last three years:

S. 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/ Letter of credit	Long Term /Short Term	150.00 (including proposed limit of Rs.62.00 crore)	IVR BB [CE]; Issuer Not Cooperating/ IVR A4 [CE]; Issuer Not Cooperating	IVR BBB- [CE]; Stable Outlook/ IVR A3 [CE] (May 19, 2020)	IVR BBB [CE]; Stable Outlook/ IVR A3+ [CE] (March 05, 2019)	--

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.

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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. 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



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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 Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term / Short Term Bank Facilities – Cash Credit / Letter of Credit	-	-	-	150.00 (including proposed limit of Rs.62.00 crore)	IVR BB [CE]; Issuer Not Cooperating/ IVR A4 [CE]; Issuer Not Cooperating *

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

Cash credit of Rs.20.00 crore (including proposed limit of Rs.8.00 crore) is a sub limit of the total bank facility