

**Splendid Metal Products Limited  
(Erstwhile Sujana Metal Products Limited)**

August 06, 2021

**Ratings**

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	1,701.84	<b>CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	269.13	<b>CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>1,970.97 (Rs. One Thousand Nine Hundred Seventy Crore and Ninety-Seven Lakhs Only)</b>		

*Details of instruments/facilities in Annexure-1*

**Detailed Rationale & Key Rating Drivers**

CARE had, vide its press release dated July 15, 2020, placed the rating(s) of Splendid Metal Products Limited (SMPL) under the 'issuer non-cooperating' category as SMPL had failed to provide information for monitoring of the rating. SMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and an email dated May 31, 2021, June 10, 2021 and June 20, 2021. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

***Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).***

**Detailed description of the key rating drivers**

*At the time of last rating on July 15, 2020 the following were the rating strengths and weaknesses (updated for the information available from BSE Filing):*

**Key Rating Weaknesses**

**Stretched liquidity position with ongoing delays in debt servicing**

Stretched liquidity position along with delays in meeting the debt obligation and the accounts are classified as Non-Performing Assets and the company is currently under resolution process.

**Analytical approach:** Standalone

**Applicable Criteria**

[Policy in respect of Non-cooperation by issuer](#)

[CARE's Policy on Default Recognition](#)

[Criteria for Short Term Instruments](#)

[Financial ratios – Non-Financial Sector](#)

[Rating Methodology - Manufacturing Companies](#)

**About the Company**

Splendid Metal Products Limited (Erstwhile Sujana Metal Products Limited), belongs to Hyderabad based Sujana Group. SMPL was incorporated in May 1988 under the name of Sujana Steel Re-Rolling Industries (P) Limited. The name of the company was later changed to Sujana Steels Private Limited in March 1992 and got converted into public limited company in April 1992. SMPL is engaged in trading of steel products and manufacturing of TMT bars & structural steel products at its facilities located at Hyderabad, Chennai and Vizag. Sujana group, belonging to Y. S. Chowdhary, is a South India based industrial house having about two decades of experience in the steel industry. The group is involved in manufacturing of Thermo Mechanical

<sup>1</sup> Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

\*Issuer did not cooperate; Based on best available information

Treated (TMT) bars, Structural Steels, Galvanised Steel towers (used in power transmission & telecom sector) and steel trading through its companies; Sujana Universal Industries Ltd, Sujana Towers Ltd. etc.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)
Total operating income	31.93	15.71
PBILDT	-17.17	-9.14
PAT	-43.40	-42.74
Overall gearing (times)	NM	NM
Interest coverage (times)	NM	NM

A: Audited NM: Not Meaningful

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure 3

**Complexity level of various instruments rated for this company:** Annexure 4

#### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	Not Available	1095.79	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Working Capital Limits	-	-	-	606.05	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC	-	-	-	269.13	CARE D; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

#### Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Fund-based - LT-Term Loan	LT	1095.79	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (15-Jul-20)	1)CARE D; ISSUER NOT COOPERATING* (08-May-19)	-
2.	Fund-based - LT-Working Capital Limits	LT	606.05	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (15-Jul-20)	1)CARE D; ISSUER NOT COOPERATING* (08-May-19)	-
3.	Non-fund-based - ST-BG/LC	ST	269.13	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (15-Jul-20)	1)CARE D; ISSUER NOT COOPERATING* (08-May-19)	-

\*Issuer did not cooperate; Based on best available information

**Annexure 3: Covenants of rated instrument/facility:** Not Applicable

**Annexure 4: Complexity level of various instruments rated for this Company**

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Term Loan	Simple
2.	Fund-based - LT-Working Capital Limits	Simple
3.	Non-fund-based - ST-BG/LC	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

**Contact us****Media Contact**

Mradul Mishra

Contact no. – +91-22-6837 4424

Email ID – [mradul.mishra@careratings.com](mailto:mradul.mishra@careratings.com)**Analyst Contact**

Group Head Name – Mr. Prasanna Krishnan

Group Head Contact no. - 040-67937421

Group Head Email ID- [prasanna.krishnana@careratings.com](mailto:prasanna.krishnana@careratings.com)**Relationship Contact**

Name: Mr. Ramesh Bob

Contact no. : +91 9052000521

Email ID: [ramesh.bob@careratings.com](mailto:ramesh.bob@careratings.com)**About CARE Ratings:**

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