

Sri Balaji Steel Tube Industries

November 11, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	4.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated September 28, 2023, placed the rating(s) of Sri Balaji Steel Tube Industries (SBSTI) under the 'issuer non-cooperating' category as SBSTI had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. SBSTI continues to be non-cooperative despite repeated requests for submission of information through e-mails dated August 13, 2024, August 23, 2024, September 02, 2024 among others.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'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).

Analytical approach: Standalone

Outlook: Not Applicable

Detailed description of the key rating drivers:

Please refer to PR dated [September 28, 2023](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)
[Policy on Default Recognition](#)

About the Firm

Sri Balaji Steel Tube Industries (SBSTI) is a partnership firm formed on December 09, 2015 with the main object of carrying out business of manufacturing steel tubes from hot rolled (HR), Cold rolled (CR) and Galvanised products (GP) coils. The proposed manufacturing unit is located at Adilabad, Hyderabad (Telangana). SBSTI is promoted by Mr. Rama Chandra Mouli (Managing Partner), Mrs. Rama Latha (Partner) and Mr. Rama Gopi Krishna (Partner). The project was started in September 2016 and likely to start the commercial operations by April 2017. The total proposed cost of project is Rs.8.80 crore which is proposed to be funded through bank term loan of Rs.3.50 crore, Partners' capital of Rs.5.20 crore and remaining through unsecured loan of Rs. 0.10 crore. As on December 31, 2016, the firm has incurred expenses of Rs.3.60 crore (around 40.90% of total project cost) towards the civil works and purchase of Plant & Machinery and the same was funded by the partners' capital.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Annexure-2

Covenants of the rated instruments/facilities: Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

¹Complete definition of ratings assigned are available at www.careedge.in and other CARE Ratings Limited's publications.

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	0.50	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan (Proposed)		-	-	-	3.50	CARE D; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	3.50	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (28-Sep-23)	1)CARE D; ISSUER NOT COOPERATING* (15-Sep-22)	1)CARE D; ISSUER NOT COOPERATING* (09-Aug-21)
2	Fund-based - LT-Cash Credit	LT	0.50	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (28-Sep-23)	1)CARE D; ISSUER NOT COOPERATING* (15-Sep-22)	1)CARE D; ISSUER NOT COOPERATING* (09-Aug-21)

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

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

Media Contact Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Analytical Contacts Shachee Nakul Vyas Assistant Director CARE Ratings Limited Phone: 079-40265665 E-mail: shachee.tripathi@careedge.in
Relationship Contact Ankur Sachdeva Senior Director CARE Ratings Limited Phone: 912267543444 E-mail: Ankur.sachdeva@careedge.in	Aniket Shringarpure Lead Analyst CARE Ratings Limited Phone: 079-40265659 E-mail: aniket.shringarpure@careedge.in
	Sakshi Thadani Associate Analyst CARE Ratings Limited E-mail: Sakshi.Thadani@careedge.in

About us:

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Disclaimer:

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