

Steel Exchange India Limited

August 26, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	-	-	Withdrawn
Short Term Bank Facilities	-	-	Withdrawn
Total Bank Facilities	0.00 (Rs. Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding ratings of 'CARE D; ISSUER NOT COOPERATING /CARE D; ISSUER NOT COOPERATING' assigned to the bank facilities of Steel Exchange India Limited (SEIL) with immediate effect. The above action has been taken at the request of SEIL and 'No Dues Certificate' received from the lenders that have extended the facilities rated by CARE.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Incorporated in February 1999, Steel Exchange India Ltd (SEIL) is primarily engaged in the manufacturing of TMT bars apart from billets, ingots and power generation. The company has a manufacturing facility for sponge iron (220,000 Tons Per Annum (TPA)), billets (240,000 TPA), ingots (90,000 TPA), and TMT bars (225,000 TPA). Apart from the above, the company also has wire drawing unit with capacity of 30,000 TPA and a 12 MW gas-based power plant. The company also deals in sale and purchase of steel products through its trading division and is recognized as one of the largest dealers for Rashtriya Ispat Nigam Limited. In November 2014, Simhadri Power Limited after receipt of due approvals from high court of Andhra Pradesh is merged with SEIL. A 60MW thermal power plant is located within the premises of SEIL.

Brief Financials (Rs. crore)	FY20 (A)	FY21(A)
Total operating income	789.03	922.05
PBILDT	79.07	139.71
PAT	64.29	139.98
Overall gearing (times)	NM	6.08
Interest coverage (times)	22.78	5.32

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

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

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	-	-	-	0.00	Withdrawn
Non-fund-based - ST-Letter of credit	-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn

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	-	-	1)CARE D; ISSUER NOT COOPERATING* (02-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (06-May-20)	-	1)CARE D; ISSUER NOT COOPERATING* (28-Dec-18)
2.	Non-fund-based - ST-Letter of credit	ST	-	-	1)CARE D; ISSUER NOT COOPERATING* (02-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (06-May-20)	-	1)CARE D; ISSUER NOT COOPERATING* (28-Dec-18)
3.	Fund-based - LT-Cash Credit	LT	-	-	1)CARE D; ISSUER NOT COOPERATING* (02-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (06-May-20)	-	1)CARE D; ISSUER NOT COOPERATING* (28-Dec-18)
4.	Issuer Rating-Issuer Ratings	-	-	-	-	-	-	-

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-Cash Credit	Simple
2.	Fund-based - LT-Term Loan	Simple
3.	Non-fund-based - ST-Letter of credit	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. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

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