



Press Release

Ritesh Tradefin Ltd.

December 30, 2020

Rating

Facilities	Amount (Rs. crore)	Rating	Rating Action
Long Term Bank Facilities	13.00	IVR BB; Issuer Not Co-operating* (IVR Double B; Issuer Not Co-operating)	Revised from IVR BB+/ Outlook: Stable (IVR Double B Plus with Stable Outlook) and moved to Issuer Not Cooperating Category
Total	13.00 (Rupees Thirteen crore only)		

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

Details of Facility are in Annexure 1

Detailed Rationale

The rating revision is because of lack of adequate information regarding Ritesh Tradefin Ltd (RTL) performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the company 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 company.

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 December 3, 2020, December 15, 2020, December 21, 2020 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted surveillance fees and all the essential details required for detailed review of the assigned ratings.

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



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the best available information. Accordingly, the long-term ratings for the bank loan aggregating to Rs.13.00 crore of RTL shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics.

Analytical Approach & Applicable Criteria

Standalone

Guidelines on what constitutes Non-Cooperation by clients

Rating Methodology for Manufacturing Companies

Financial Ratios & Interpretation (Non-Financial Sector)

About the Company

Ritesh Tradefin Limited (RTL), incorporated in January 1993, is engaged in the manufacturing of Sponge Iron and angle channels with a current installed capacity of 30,000 metric tonne per annum (MTPA) of sponge iron and 36,000 MTPA of angle channels, belongs to the one Agarwal family based out of Bardhaman, West Bengal with Mr. Ritesh Agarwal being the main promoter. The Agarwal family is actively involved in the steel sector from last 30 years through various companies under its fold. All the Promoters and Directors of RTL are fully equipped with the knowledge of Iron & Steel Industry and in the activity since 1993.

Financials (Standalone):

For the year ended* / As On	(Rs. crore)	
	31-03-2018	31-03-2019
	Audited	Audited
Total Operating Income	56.35	113.07
EBITDA	3.57	4.13
PAT	0.06	0.65
Total Debt	20.23	21.27
Tangible Net worth	13.50	14.15
EBITDA Margin (%)	6.33	3.65
PAT Margin (%)	0.10	0.57
Overall Gearing Ratio (x)	1.50	1.50

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: India Ratings has moved the rating of RTL 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 February 15, 2018.



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Any other information: Nil

Rating History for last three years:

Sr. No	Name of Instrument/ Facilities	Current Rating (Year 2020-21)			Rating History for the past 3 years			
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2017-18	Date(s) & Rating(s) assigned in 2018-19
1.	Cash Credit	Long Term	7.50	IVR BB; Issuer Not Co-operating* (IVR Double B ; Issuer Not Co-operating)	IVR BB+ / Stable Outlook Dec. 3, 2019	IVR BB+ / Stable Outlook Nov. 6, 2019	-	
2.	Overdraft	Long Term	5.50	IVR BB; Issuer Not Co-operating* (IVR Double B ; Issuer Not Co-operating)	IVR BB+ / Stable Outlook Dec. 3, 2019 (Reclassified)	IVR A4+ Stable Nov. 6, 2019		

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

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. Firm'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



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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 Fund Based Facilities- Cash Credit	-	-	-	7.50	IVR BB; Issuer Not Co-operating*
Long Term Fund Based Facilities- Overdraft	-	-	-	5.50	IVR BB; Issuer Not Co-operating*

* Issuer did not cooperate; based on best available information