

November 13, 2019

R.P. Steel Tubes: Ratings withdrawn

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term Cash Credit	10.00	10.00	[ICRA]BB (Stable); Withdrawn
Total	10.00	10.00	

*Issuer did not co-operate; based on best available information.

Rationale

The long-term rating assigned to the bank loans of R.P. Steel Tubes have been withdrawn at the request of the company and based on the No Objection for withdrawal received from its banker. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

Key rating drivers: Not Applicable

Rating sensitivities: Not Applicable

Liquidity Position: Not Applicable

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	NA
Consolidation / Standalone	The ratings were based on consolidated position of Narain & Company, R.P. Steel Tubes and R.P. Multimetals Private Limited. While the rating for R.P. Steel Tubes and R.P. Multimetals Private Limited have been withdrawn, ICRA ratings for Narain & Company are still outstanding.

About the company:

Incorporated in 2008, RPST is a partnership firm that manufactures MS (mild steel) bars and flats. Its manufacturing facility is located at Mandi Gobindgarh, Punjab and has a capacity of producing 45,000 MT per annum of bars and flats. In FY2015, it set up a new facility with an installed capacity of producing 15,000 MT of ERW pipes per annum.

About the group

R.P. Multimetals Private Limited - RPMPL was established in 1999 and manufactures steel billets, blooms and steel coils/flats at its facility in Gobindgarh (installed capacity of 66,600 MT per annum). The major raw materials used by the company are ferrous alloys and scrap metal, which are mainly imported. The steel products manufactured by it are supplied to the steel rolling mills in Mandi Gobindgarh. In FY2015, RPMPL set up a facility for manufacturing flats/coils from billets and ERW pipes.

Narain & Company - NC trades in iron and steel products such as angles, billets, beam, channel, bloom, and billet. It is a distributor of Rashtriya Ispat Nigam Limited (RINL) in northern India. Besides, the company procures products from various rolling mills and distributors in Mandi Gobindgarh based on its requirement, before selling the same to auto part manufacturers and exporters. Around 80% of the total sales are made to northern India and some quantities are also sold to eastern and southern India.

The previous detailed rating rationale is available on the following link: [Click here](#)

Status of non-cooperation with previous CRA

Not applicable

Any other information

Not applicable

Key financial indicators:

Not available

Rating history for past three years

All figures in Rs. Crore

	Instrument	Current Rating (FY2020)				Rating History for the Past 3 Years		
		Type	Amount Rated	Amount Outstanding	Rating	FY2020	FY2019	FY2017
					13-Nov- 2019			
1	Cash Credit	Long Term	10.00	-	[ICRA]BB (Stable); Withdrawn	[ICRA]BB (Stable)	[ICRA]BB (Stable);	[ICRA]BB- (Stable);

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [click here](#)

Annexure-1

Instrument Details

ISIN No	Instrument	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	10.00	[ICRA]BB (Stable); Withdrawn

Source: RPST

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