P. Venganna Setty & Bros.

February 04, 2019

Summary of rated instruments

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund-based – Term Loan	18.32	18.32	[ICRA]BB- (Stable); Withdrawn
Unallocated	14.43	14.43	[ICRA]BB- (Stable); Withdrawn
Total	**32.75**	**32.75**	

Rating action

ICRA has withdrawn the long-term rating of [ICRA]BB- (pronounced ICRA double B minus)[1] outstanding on the Rs. 32.75-crore bank facilities of P. Venganna Setty & Bros. (PVS).

Rationale

The term loan availed by the company has been repaid in full and there is no amount outstanding against the rated facilities. Hence, the rating has been withdrawn at the request of the company and in accordance with ICRA's policy on withdrawal and suspension.

Outlook: Not applicable

Key rating drivers

Key rating drivers have not been captured as the rated instruments are being withdrawn.

Liquidity Position:

Liquidity position has not been captured as the rated instruments are being withdrawn.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA's Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not Applicable
Consolidation / Standalone	Not Applicable
Consolidation / Standalone	Not Applicable

About the company

P. Venganna Setty and Bros. is a partnership firm set up in 1952 by its promoters, Mr. P G Nagbhushan and family. MSPL Limited acquired a 90% stake in the concern in 1980, while the remaining 10% was retained by the initial promoters. PVS holds a mining lease for the Pathikonda Iron Ore Mine (PIOM), a 'Category-B' open-cast mine in the Bellary district of Karnataka. The mine has not been operational since 2010. Although PVS has obtained the mining lease renewal, the final Reclamation and Rehabilitation (R&R) inspection is pending, post which the PVS will receive approval to commence the

[1] *For complete rating scale and definitions, please refer to ICRA's website www.icra.in or other ICRA Rating Publications*

mining operations. The current lease expires in March 2020. The firm also owns wind assets totalling 14.80 MW in Karnataka and Gujarat. Daily operations of PVS are handled by Mr. Rahul N. Baldota, the Managing Partner.

PVS is a part of the Baldota Group of Companies, which has an established presence across diverse businesses such as mining, renewable energy, shipping and logistics, steel and industrial gases. Major companies of the Group include MSPL Limited (rated [ICRA]BBB+ (Positive)/ A2) and Ramgad Minerals and Mining Limited (rated [ICRA]BBB+ (Stable)/ A2), both involved in iron ore mining and wind energy generation.

Key financial indicators: Not applicable

Any other information: None

Status of non-cooperation with previous CRA: Not applicable

Rating history for last three years:

		Current Rating (FY2019)				Chronology of Rating History for the past 3 years		
	Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding as on Dec 31, 2018 (Rs Crore)	Date & Rating Feb 2019	Date & Rating in FY2018 March 2018	Date & Rating in FY2017 Dec 2016	Date & Rating in FY2016 Nov 2015
1	Term Loan	Long Term	18.32	Nil	[ICRA]BB- (Stable); Withdrawn	[ICRA]BB- (Stable)	[ICRA]B	[ICRA]B
2	Unallocated	Long Term	14.43	-	[[ICRA]BB- (Stable); Withdrawn	[ICRA]BB- (Stable)	[ICRA]B	[ICRA]B

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 www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term Loan	FY2013	-	FY2019	18.32	[ICRA]BB- (Stable); Withdrawn
NA	Unallocated	-	-	-	14.43	[ICRA]BB- (Stable); Withdrawn

Source: PVS

ANALYST CONTACTS

K Ravichandran
+91 44 4596 4301
ravichandran@icraindia.com

R Srinivasan
+91 44 4596 4315
r.srinivasan@icraindia.com

Ritika Periwal
+91 80 4922 5562
ritika.mundhra@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee
+91 80 4332 6401
jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries:

+91-124-2866928 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Corporate Office
Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002
Tel: +91 124 4545300
Email: info@icraindia.com
Website: www.icra.in

Registered Office
1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001
Tel: +91 11 23357940-50

Branches

Mumbai	+ (91 22) 24331046/53/62/74/86/87
Chennai	+ (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,
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Pune	+ (91 20) 2556 0194/ 6606 9999