

## Press Release

Venkateshwara Sponge & Iron Co Private Limited

May 27, 2019

## Rating Update



<b>Total Bank Facilities Rated*</b>	Rs.18.00 Cr.#
<b>Long Term Rating</b>	ACUITE B Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4 Issuer not co-operating*

#Refer Annexure for details

\*The issuer did not co-operate; based on best available information.

Acuité has reviewed the long-term rating of '**ACUITE B**' (read as **ACUITE B**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.18.00 crore bank facilities of Venkateshwara Sponge & Iron Co Private Limited (VSPL). This rating is now an indicative rating and is based on best available information.

Incorporated in 2005, the Jharkhand-based VSPL was promoted by Mr. Birendra Rai and his son to manufacture sponge iron and trade in coal. The company has an installed capacity of 100 MT per day.

### Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing [BT1] Entities- <https://www.acuite.in/view-rating-criteria-4.htm>

### Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

### About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts

### Status of non-cooperation with previous CRA (if applicable)

None

### Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
06-Mar-2018	Cash Credit	Long Term	13.00	ACUITE B Issuer not co-operating*
	Bank Guarantee	Short Term	5.00	ACUITE A4 Issuer not co-operating*
31-Jan-2017	Cash Credit	Long Term	13.00	ACUITE B / Stable (Reaffirmed)
	Bank Guarantee	Short Term	5.00	ACUITE A4 (Reaffirmed)
03-Sep-2015	Cash Credit	Long Term	13.00	ACUITE B / Stable (Assigned)
	Bank Guarantee	Short Term	5.00	ACUITE A4 (Assigned)

\*The issuer did not co-operate; based on best available information.

### #Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE B Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4 Issuer not co-operating*

\*The issuer did not co-operate; based on best available information.

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### About Acuité Ratings & Research:

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