

Press Release

Venkateshwara Sponge & Iron Co Private Limited

November 25, 2021



Rating Reaffirmed and Issuer not co-operating

Product	Net Quantum (Rs. Cr)	Withdrawn Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	5.00	0.00		ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	13.00	0.00	ACUITE B Reaffirmed Issuer not co-operating*	
Total	18.00	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating '**ACUITE B**' (read as **ACUITE B**) and the 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). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

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.

Non-cooperation by the issuer/borrower:

Acuite 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 the due date.

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

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Liquidity Indicators

"No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

About the Rated Entity - Key Financials

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

Status of non-cooperation with previous CRA

None

Any other information

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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
28 Aug 2020	Bank Guarantee	Short Term	5.00	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	13.00	ACUITE B (Issuer not co-operating*)
27 May 2019	Bank Guarantee	Short term	5.00	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	13.00	ACUITE B (Issuer not co-operating*)
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	Bank Guarantee	Short Term	5.00	ACUITE A4 (Assigned)
	Cash Credit	Long Term	13.00	ACUITE B Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Size Of Issue	Rating
Bank of India	Cash Credit	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE B Reaffirmed Issuer not co-operating*
Bank of India	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4 Reaffirmed Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,850 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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