

Press Release

Ganesh Steel and Alloys Limited

October 07, 2020



Rating Update

| | |
|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs.10.55 Cr.# |
| Long Term Rating | ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating* |
| Short Term Rating | ACUITE A4+ Issuer not co-operating* |

*Refer Annexure for details

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

Acuité has downgraded the long term rating to '**ACUITE BB-**' (**read as ACUITE double B minus**) from '**ACUITE BB**' (**read as ACUITE double B**) and review the short term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs.10.55 crore bank facilities of Ganesh Steel and Alloys Limited (GSAL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

GSAL, incorporated in 1995, is a Kolkata based company promoted by Mr. S. K Nahata, Mr. N.K. Baid and Mr. N.M Baid. The company is engaged in the manufacture of ingots at Hooghly (West Bengal) and has an installed capacity of 35000 metric tonnes per annum.

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 the 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-52.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-59.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 endeavored 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 requests.

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 (Up to last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr) | Ratings/Outlook |
|------------|---------------------------------|------------|-----------------|--|
| 18-July-19 | Cash Credit | Long term | 7.00 | ACUITE BB Issuer not co-operating* |
| | Bank Guarantee | Short term | 2.55 | ACUITE A4+ Issuer not co-operating* |
| | Proposed Cash Credit | Long term | 1.00 | ACUITE BB Issuer not co-operating* |
| 19-Apr-18 | Cash Credit | Long term | 7.00 | ACUITE BB Issuer not co-operating* |
| | Bank Guarantee | Short term | 2.55 | ACUITE A4+ Issuer not co-operating* |
| | Proposed Cash Credit | Long term | 1.00 | ACUITE BB Issuer not co-operating* |
| 06- Mar-17 | Cash Credit | Long term | 7.00 | ACUITE BB/Stable (Reaffirmed) |
| | Bank Guarantee | Short term | 2.55 | ACUITE A4+ (Reaffirmed) |
| | Proposed Cash Credit | Long term | 1.00 | ACUITE BB/Stable (Assigned) |

*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 | 7.00 | ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating* |
| Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 2.55 | ACUITE A4+ Issuer not co-operating* |
| Proposed Cash Credit | Not Applicable | Not Applicable | Not Applicable | 1.00 | ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating* |

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

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 6,000 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 Mumbai.

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