

Press Release

Govind Steel Company Limited

October 14, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 20.00 Cr. #
Long Term Rating	ACUITE BBB- Issuer not co-operating*
Short Term Rating	ACUITE A3 Issuer not co-operating*

Refer Annexure for details

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

Acuité has reviewed long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short-term rating of '**ACUITE A3**' (read as **ACUITE A three**) on the Rs. 20.00 crore bank facilities of GOVIND STEEL COMPANY LIMITED (GSCL). This rating is now an indicative rating and is based on best available information.

Incorporated in 1958, GSCL is involved in manufacturing of manhole covers, manhole sets, C. I. castings, D. I. castings etc. Promoted by Mr. Dinesh Kumar Seksaria, its management includes Mr. Gaurav Seksaria and Mr. Chatar Singh Kathotia. The plant has an installed capacity of 12,000 tons per annum of foundry (C.I Castings) and 2,400 tons per annum of ductile furnaces (D.I Castings) in Rishra, West Bengal.

Incorporated in 1962, Dinesh Brothers Private Limited (DBPL) is involved in trading and exports of manhole covers, manhole sets, C.I castings, D.I castings among others. DBPL purchases a portion of the products from the group company Govind Steel Company Limited (GSCL) and sells it in the domestic and export market.

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>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-6.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Consolidation Of Companies - <https://www.acuite.in/view-rating-criteria-22.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)

Not applicable

Any other information

Not Available

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
03-Aug-2018	Cash Credit	Long Term	12	ACUITE BBB- / Stable (Upgraded)
	Letter of Credit	Short Term	3	ACUITE A3 (Upgraded)
	Proposed Bank Facility	Short Term	5	ACUITE A3 (Upgraded)
04-Aug-2017	Cash Credit	Long Term	10	ACUITE BB+ / Stable (Assigned)
	Proposed Cash Credit	Long Term	4	ACUITE BB+ / Stable (Assigned)
	Letter of Credit	Short Term	3	ACUITE A4+ (Assigned)
	Proposed Letter of Credit	Short Term	3	ACUITE A4+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE BBB- Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE A3 Issuer not co-operating*
Proposed bank facility	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A3 Issuer not co-operating*

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

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings 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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