Press Release

Ghankun Steels Private Limited

June 11, 2019

Rating Update

Total Bank Facilities Rated*	Rs. 83.37 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.*

Rating Rationale

Acuité has reviewed the long-term rating of **'ACUITE BBB-' (read as ACUITE B plus)** and the short term rating of **'ACUITE A3+' (read as ACUITE A three plus)** on the Rs. 83.37 crore bank facilities of Ghankun Steels Private Limited (GSPL). This rating is now an indicative rating and is based on best available information.

Ghankun Steels Limited is a company started in the year 2004 and is based out of Raipur. Company is engaged in the manufacturing of Sponge Iron, MS ingots and generates power from power plant. Company deals in all products across the value chain in the steel industry like sponge iron, Ingot, Billet, TMT & Structural Steel. Promoters of the company belong to the Maruti Group which is promoted by Khetan Family, Tola Family and Chowdhary family. GSPL gets over 60% of its revenues from Maruti Ferrous Pvt Ltd (Group Company). Maruti sells TMT bars to the final customer under the brand name of "Nirmaan TMT".

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 Entities - https://www.acuite.in/view-rating-criteria-14.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 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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
19-3-2018	Term Loan	Long term	34.37	ACUITE BBB- /Stable (Reaffirmed)
	Cash Credit	Long term	18.00	ACUITE BBB- /Stable (Reaffirmed)
	Bill Discounting	Short Term	5.00	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	20.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee	Short Term	6.00 (Enhanced from Rs.0.75)	ACUITE A3+ (Reaffirmed)
7-2-2018	Term Loan	Long term	34.37	ACUITE BBB- /Stable (Assigned)
	Cash Credit	Long term	18.00	ACUITE BBB- /Stable (Assigned)
	Bill Discounting	Short Term	5.00	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	20.00	ACUITE A3+ (Assigned)
	Bank Guarantee	Short Term	0.75	ACUITE A3+ (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
Term Loan	Not Applicable	Not Applicable	Not Applicable	34.37	ACUITE BBB- Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	18.00	ACUITE BBB- Issuer not co-operating*
Bill Discounting	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A3+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE A3+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE A3+ 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 *(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.