

Press Release

Sree SGK Industries

01 November, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 7.50 Cr.
Long Term Rating	ACUITE B Issuer non-cooperating*

* Refer Annexure for details

Rating Rationale

Acuite has reviewed the long term rating of '**ACUITE B**' (read as **ACUITE B**) on the Rs.7.50 crore bank facilities of Sree SGK Industries. This rating is now an indicative rating and is based on best available information.

Established in 1989, by Mr. Nanjunda Setty BC, Sree SGK Industries (SGI) is a Shimoga (Karnataka) based proprietorship concern. The entity is engaged in manufacture of automobile and hydraulic components. The entity is also engaged in machining of steel and tubular components. The entity has an installed capacity to manufacture 170 tons of castings per month.

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 due date.

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

Applicable Criteria

- Default Recognition-<https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities-<https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.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 endeavoured 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.

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

Acuite 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
20-Aug-2018	Cash Credit	Long Term	4.50	ACUITE B/Stable (Assigned)
	Term Loan	Long Term	1.50	ACUITE B/Stable (Assigned)
	Proposed Long Term	Long Term	1.50	ACUITE B/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	4.50	ACUITE B Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE B Issuer not co-operating*
Proposed Long Term	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE B Issuer not co-operating*

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About Acuite Ratings & Research:

Acuite 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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