

Press Release

Shree Gopal Govind Sponge Private Limited

October 23, 2019



Rating Update

Total Bank Facilities Rated*	Rs. 11.15 Cr. #
Long Term Rating	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 reviewed the long-term rating of **ACUITE BB' (read as ACUITE double B)** and the short-term rating of **ACUITE A4+' (read as ACUITE A four plus)** on the Rs. 11.15 crore bank facilities of Shree Gopal Govind Sponge Private Limited. This rating is now an indicative rating and is based on best available information.

SGSPL, a West Bengal based company was incorporated in 2000 and is engaged in the business of manufacturing of sponge iron. The installed capacity is 150 tons per day. The company procures its key raw materials such as coal, iron ore mainly from various players located in West Bengal and Odisha. The company sells its produce mainly to its group company, viz. Shree Gopal Concrete Private Limited (SCPL).

Shree Gopal Concrete Private Limited (SCPL), a West Bengal based company was incorporated in 2005 and is engaged in the business of manufacturing of billets, TMT bars and cement. The installed capacity for TMT, Billet, Cement is 300 tons per day, 350 tons per day and 500 tons per day respectively. The company sells the TMT bars under the brand names 'Prime Gold', 'Shree Gopal', 'Ramleela' and cement is sold under the brand name 'Prime Gold'.

Analytical Approach

Acuité has consolidated the business and financial risk profiles of Shree Gopal Concrete Private Limited, Shree Gopal Govind Sponge Private Limited together referred to as the Shreegopal Group (SG). The consolidation is in view of the common management and significant operational linkages between the two entities.

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>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.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

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. Crore)	Ratings/Outlook
24-Aug-2018	Cash Credit	Long Term	10.80	ACUITE BB/Stable (Assigned)
	Bank Guarantee	Short Term	0.35	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	10.80	ACUITE BB Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.35	ACUITE A4+ 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 ACUITE 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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