

Press Release

Shree Gopal Govind Sponge Private Limited

April 15, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	0.35	-	ACUITE A4 Downgraded Issuer not co-operating*
Bank Loan Ratings	10.80	ACUITE B+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	11.15	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and downgrade the short-term rating of **ACUITE A4** (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 11.15 crore bank facilities of Shree Gopal Govind Sponge Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

SGSPL, a West Bengal based company was incorporated in 2000 and is engaged in the business of manufacturing of sponge iron. This company promoted by Mr. Ram Kumar Sarda, Mr. Vishal Sarda and Mr. Shiv Kumar Sarda. The installed capacity is 150 tons perday. 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).

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 the due date.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

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 endeavored 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 requests.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

None

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

None

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
12 Jan 2021	Bank Guarantee	Short Term	0.35	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	10.80	ACUITE BB- (Downgraded and Issuer not co-operating*)
23 Oct 2019	Cash Credit	Long Term	10.80	ACUITE BB (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.35	ACUITE A4+ (Issuer not co-operating*)
24 Aug 2018	Bank Guarantee	Short Term	0.35	ACUITE A4+ (Assigned)
	Cash Credit	Long Term	10.80	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
UCO Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.35	ACUITE A4 Downgraded Issuer not co-operating*
UCO Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.80	ACUITE B+ Downgraded Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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