



Press Release
BRGD SPONGE AND IRON PRIVATE LIMITED
April 15, 2025
Rating Downgraded & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	80.00	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating*	-
Bank Loan Ratings	20.50	-	ACUITE A4+ Downgraded & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	100.50	-	-

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

Rating Rationale

Acuite has downgraded and withdrawn the long-term rating to ‘**ACUITE BB+**’ (read as **ACUITE double B plus**) from ‘**ACUITE BBB**’ (read as **ACUITE Triple B**) and short-term rating to ‘**ACUITE A4+**’ (read as **ACUITE A four plus**) from ‘**ACUITE A3+**’ (read as **ACUITE A three plus**) on bank facilities of Rs.100.50 Cr. of BRGD Sponge and Iron Private Limited.

The rating has been withdrawn as per Acuite's policy of withdrawal of ratings as applicable to the respective instrument/facility. The rating has been withdrawn on account of the request received from the company and NOCs (No Objection Certificates) received from the respective bankers.

The rating downgrade is on account of information risk. The rating is now flagged as “Issuer Not-Cooperating” on account of information risk and is based on the best available information.

About the Company

Kolkata based BRGD Sponge and Iron Private Limited was incorporated in 2004 by Mr. Rajesh Kumar Kanodia, Mrs. Chitra Kanodia and Mr. Sanjeev Kanodia and is engaged in manufacturing and trading of sponge iron, coal and ferroalloys. The company primarily caters to its flagship entity Balmukund Concast Private Limited

About the Group

Incorporated in 1995, Balmukund Concast Private Limited (BCPL) is the flagship company of the Balmukund group currently managed by Mr. Rajeev Kumar Kanodia, Mr. Ajay Kumar Jhunjhunwala. The company is engaged in manufacturing of thermomechanically treated (TMT) bars under the brand name of ‘Balmukund Diamond’ with an installed capacity of 150,000 MTPA and 108,000 MTPA of MS Billet respectively. The company has its manufacturing facility located at Patna, Bihar.

Unsupported Rating

Not Applicable

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 the due date. Acuité believes that information risk is a critical component in such ratings, and non cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as “Issuer not cooperating”, in line with prevailing SEBI regulations and Acuité’s policies

Limitation regarding information availability

This 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. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

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

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	66.48	166.09
PAT	Rs. Cr.	1.06	2.35
PAT Margin	(%)	1.60	1.41
Total Debt/Tangible Net Worth	Times	2.37	1.62
PBDIT/Interest	Times	2.29	3.99

Status of non-cooperation with previous CRA

Not Applicable

Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)

Not applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitie: <https://www.acuite.in/view-rating-criteria-61.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
30 Mar 2024	Bank Guarantee (BLR)	Short Term	12.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	8.50	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	20.00	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	20.00	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	10.00	ACUITE BBB Stable (Reaffirmed)
06 Jan 2023	Letter of Credit	Short Term	10.00	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	2.00	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	8.50	ACUITE A3+ (Assigned)
	Cash Credit	Long Term	10.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	20.00	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	20.00	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB Stable (Assigned)
	Term Loan	Long Term	10.00	ACUITE BBB Stable (Reaffirmed)
05 Jan 2022	Proposed Short Term Bank Facility	Short Term	10.00	ACUITE A3+ (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	10.00	ACUITE BBB Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	40.00	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE BBB Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
HDFC Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.00	Simple	ACUITE A4+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A3+)
ICICI Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.50	Simple	ACUITE A4+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A3+)
Axis Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BBB)
ICICI Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BBB)
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BBB)
ICICI Bank Ltd	Not avl. / Not appl.	Term Loan	30 May 2022	Not avl. / Not appl.	30 Sep 2030	20.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BBB)
Axis Bank	Not avl. / Not appl.	Term Loan	31 Jul 2022	Not avl. / Not appl.	31 Dec 2030	10.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BBB)
HDFC Bank Ltd	Not avl. / Not appl.	Working Capital Term Loan	31 Aug 2022	Not avl. / Not appl.	30 Sep 2030	20.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BBB)

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

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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Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.