

November 15, 2024

Shree Shyam Sponge & Power Limited: Continues to remain under issuer non-cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Short Term-Interchangeable- Others	(6.00)	(6.00)	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Cash Credit	10.00	10.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	10.00	10.00	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the long-term and Short-term ratings of Shree Shyam Sponge & Power Limited in the 'Issuer Not Cooperating' category. The rating is denoted as [ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING.

As part of its process and in accordance with its rating agreement with Shree Shyam Sponge & Power Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Iron & Steel
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

SSSPL was incorporated in 2003 by the Raipur based Mahamaya group. The plant of the company is located at Village Bachhera, Raipur (Chhattisgarh). SSSPL has a production facility for sponge iron with an annual production capacity of 30,000 MT. The company used to sell around 50% of its production to its group companies. SSSPL was acquired by Sita group in FY2017 end.

The Sita group is currently managed by Mr. Manoj Agarwal and Mr. Sanjay Agarwal, who have experience in steel industry through their group company, Shree Sita Ispat and Power Private Limited, which is also engaged in sponge iron production.

Status of non-cooperation with previous CRA:

CRA	Rating Action	Date of Release
CARE	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING	May 21, 2024

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2025)			Chronology of Rating History for the past 3 years		
	Type	Amount Rated (Rs. Crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
			15-November-2024			
1 Interchangeable-Others	Short Term	(6.00)	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING
2 Fund Based-Cash Credit	Long Term	10.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Interchangeable-Others	Very Simple
Fund Based-Cash Credit	simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Interchangeable-Others	NA	NA	NA	(6.00)	[ICRA]A4; ISSUER NOT COOPERATING
NA	Fund Based-Cash Credit	NA	NA	NA	10.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING

Source: Shree Shyam Sponge & Power Limited

Annexure-2: List of entities considered for consolidated analysis: Not applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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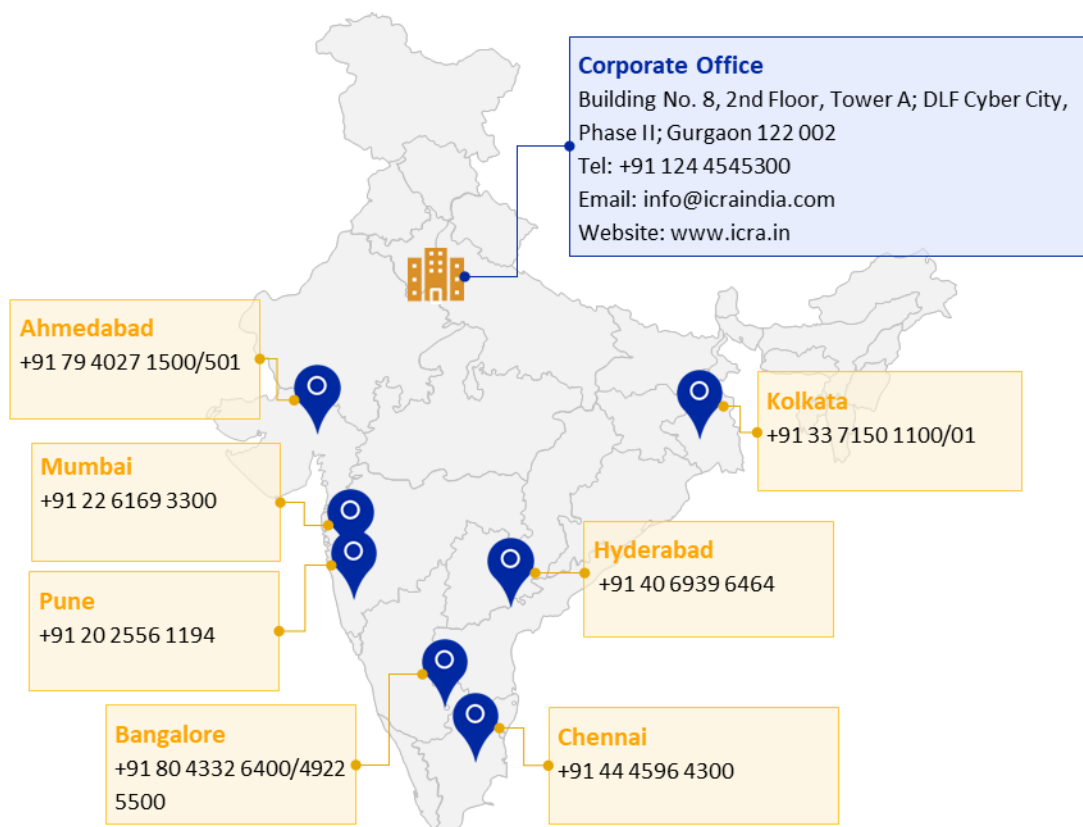


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