



Press Release

Sambhv Sponge Power Private Limited (SSPPL)

June 11, 2021

Sl. No.	Instrument/Facility	Amount (Rs. Crore)	Rating	Rating Action
1	Long Term Fund Based Facility - Cash Credit	47.00 (Enhanced from Rs. 17.00 crore)	IVR BB+/Stable Outlook (IVR Double B Plus with Stable Outlook)	Assigned and Withdrawn
2	Long Term Fund Based Facility - Term Loan	71.00 (Enhanced from Rs. 32.50 crore)	IVR BB+/Stable Outlook (IVR Double B Plus with Stable Outlook)	Assigned and Withdrawn
3	Short Term Non-Fund Based Facility – Letter of Credit	9.50	IVR A4 (IVR A Four)	Assigned and Withdrawn
	Total	127.50 (One Hundred and twenty seven crore and fifty lakh)		

Details of Facilities are in Annexure 1

Rating Action

Infomerics Valuation and Rating Private Limited has withdrawn the rating assigned to the bank facilities of M/s Sambhv Sponge Power Private Limited based on the client request and No Objection Certificate from the lender.

Detailed Rationale

The rating is withdrawn in accordance with Infomerics' policy on withdrawal

Analytical Approach: Consolidated

For arriving at the rating, Infomerics has combined the business and financial risk profiles of 3 companies Ganpati Sponge Iron Private Limited (GSIPL), S. Pyarelal Ispat Private Limited (SPIPL), Sambhv Sponge Power Pvt Ltd (SSPPL) as they are in the same lines of business (As backward or forward integration), under a common management, and have financial linkages & legal linkages by way of corporate guarantee. All these companies are collectively referred as the Brijdham group. (GSIPL & SPIPL had given the unconditional & unrecoverable corporate guarantee to SSPPL).

Extent of Consolidation of all 3 Brijdham Group companies: 100%

Applicable Criteria: Policy on Withdrawal

About the Group



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Brijdham Group started its journey in plastic industries with its manufacturing unit, Brijdham plastic in the year of 1992, Santoshi Nagar, Boriya Road, Raipur (C.G). Grinding of plastic scraps was the main vertical of the company at that time. A year later, M/S Goyal Plastics came into existence to manufacture plastic tubes and bags. The group was solely involved in the plastic business till 2004. Subsequently, the group ventured in steel by acquiring Ganpati Sponge Iron Pvt. Ltd. in November 2004. The businesses (various group companies) since then have been managed by the second generation (Mr. Suresh Goyal, Mr. Manoj Kumar Goyal, Mr. Ashish Goyal and Mr. Vikas Goyal: - sons of Mr. Brijlal Goyal of the Goyal family. The group companies operating under Brijdham Group are Ganpati Sponge Iron Private Limited (GSIPL), S. Pyarelal Ispat Private Limited (SPIPL), Sambhv Sponge Power Private Limited (SSPPL).

About the Company

Sambhv Sponge Power Private Limited (SSPPL), incorporated in April 2017, is engaged in the manufacturing of Sponge Iron and belongs to the Brijdham group based out of Raipur. The facility of SSPPL is strategically located at Tehsil Tilda, in Raipur district, which is in close proximity of various steel plants and dealers of its main raw materials. The unit started its commercial operations in FY18 (March) with a capacity of 60,000 MTPA which was expanded to 2,12,000 MTPA in 2020. It was a brown field investment, funded by debt of Rs. 12.50 crore and promoters' infusion of Rs. 8.50 crore. The COD for the same was March 2018. The group has rich experience in steel and steel products for more than 15 years and its products range from ingots and billets to sponge iron and others. Sambhv Sponge had got a corporate guarantee from SPIPL as well as GSIPL.

Status of non-cooperation with previous CRA: Infomerics Ratings vide its Press Release dated April 05, 2021, had migrated its ratings to Issuer Non-Cooperation category due unavailability of adequate information.

Any other information: N.A.

Rating History for last three years:



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Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 (April 05, 2021)	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20 (January 25, 2020)
1.	Long Term Fund Based Facility - Cash Credit	Long Term	17.00	IVR BB+ / Stable (IVR Double B Plus with Stable Outlook) (Assigned & Withdrawn)	IVR BB+; INC (IVR Double B Plus; Issuer Not Cooperating)	-	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)
2	Long Term Fund Based Facility - Cash Credit	Long Term	30.00	IVR BB+ / Stable (IVR Double B Plus with Stable Outlook) (Assigned & Withdrawn)	IVR BB+; INC (IVR Double B Plus; Issuer Not Cooperating)	-	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)
3	Long Term Fund Based Facility - Term Loan	Long Term	11.00	IVR BB+ / Stable (IVR Double B Plus with Stable Outlook) (Assigned & Withdrawn)	IVR BB+; INC (IVR Double B Plus; Issuer Not Cooperating)	-	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)
4	Short Term Non-Fund Based Facility – Letter of Credit	Short Term	9.50	IVR A4 (IVR A Four) (Assigned & Withdrawn)	IVR A4; Issuer Not Cooperating (IVR A Four; Issuer Not Cooperating)	-	IVR A3 (IVR A Three)
5	Long Term Fund Based Facility - Term Loan	Long Term	21.50	IVR BB+ / Stable (IVR Double B Plus with Stable Outlook) (Assigned & Withdrawn)	IVR BB+; INC (IVR Double B Plus; Issuer Not Cooperating)	-	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)



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6	Long Term Fund Based Facility - Term Loan	Long Term	38.50	IVR BB+ / Stable (IVR Double B Plus with Stable Outlook) (Assigned & Withdrawn)	IVR BB+; INC (IVR Double B Plus; Issuer Not Cooperating)	-	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it based on complexity and a note thereon is available at www.infomerics.com.

Name and Contact Details of the Rating Analyst:

Name: Mr. Miraj Bhagat	Name: Mr. Prakash Kabra
Tel: (022) 62396023	Tel: (022) 62396023
Email: mbhagat@infomerics.com	Email: prakash.kabra@infomerics.com

About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine-tune its product offerings to best suit the market.

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facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	--	--	--	47.00 (Enhanced from Rs. 17.00 crore)	IVR BB+/Stable Outlook (IVR Double B Plus with Stable Outlook) (Assigned & Withdrawn)
Inland LC	--	--	--	9.50	IVR A4 (IVR A Four) (Assigned & Withdrawn)
Term Loan	--	--	-	71.00 (Enhanced from Rs. 32.50 crore)	IVR BB+/Stable Outlook (IVR Double B Plus with Stable Outlook) (Assigned & Withdrawn)