

Maa Chhinnmastika Cement And Ispat Private Limited

December 02, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	14.76	CARE BB+; Stable; ISSUER NOT COOPERATING* (Double B Plus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	14.76 (Rs. Fourteen Crore and Seventy-Six Lakhs Only)		

Details of instruments/facilities in Annexure-1

**Issuer did not cooperate; Based on best available information*

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated September 09, 2021, placed the rating(s) of Maa Chhinnmastika Cement And Ispat Private Limited (MCCIPL) under the 'issuer non-cooperating' category as MCCIPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. MCCIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated July 26, 2022, August 05, 2022, August 15, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [September 09, 2021](#)

Analytical approach: Combined

For arriving at its ratings, CARE has combined the business and financial risk profiles of Alope Steel Industries Private Limited (ASIPL), Araanya Mines Private Limited (AMPL), Jharkhand Ispat Private Limited (JIPL) and MCCIPL as these are under common management and have significant operational and financial linkages.

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

MCCIPL, incorporated in 2004, was promoted by Mr. Pradeep Bharadwaj. In June 2010, the Rungta Group took over the company. The company is engaged in the manufacturing of sponge iron at the plant located in Ramgarh, Jharkhand with an installed capacity of 90,000 MTPA. Other companies belonging to the RC Rungta group are Jharkhand Ispat Pvt. Ltd. engaged in the manufacturing of sponge iron (1,20,000 MTPA) and MS Billets (78,990 MTPA) and Alope Steel Industries Pvt Ltd which is engaged in manufacturing of sponge iron with an installed capacity of 120,000 MTPA. The group has also formed various Joint Ventures to carry on coal mining and handling activities for Mahanadi Coalfields Ltd.

Brief Financials (Rs. crore) (Standalone)	FY20 (A)	FY21 (A)	FY22 (A)	H1FY23 (Prov.)
Total operating income	158.15	137.68	NA	NA
PBILDT	6.07	6.43	NA	NA
PAT	3.36	3.80	NA	NA
Overall gearing (times)	0.18	0.20	NA	NA
Interest coverage (times)	2.79	3.74	NA	NA

A: Audited, Prov.: Provisional, NA: Not Available

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Brief Financials (Rs. crore) (Combined)	FY20 (UA)	FY21 (UA)	FY22 (UA)	H1FY23 (Prov.)
Total operating income	593.89	595.60	NA	NA
PBILDT	22.39	33.43	NA	NA
PAT	10.37	13.29	NA	NA
Overall gearing (times)	0.42	0.37	NA	NA
Interest coverage (times)	2.12	3.55	NA	NA

A: Audited, Prov.: Provisional, NA: Not Available, UA: Unaudited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	13.70	CARE BB+; Stable; ISSUER NOT COOPERATING*
Non-fund-based - LT-Bank Guarantee		-	-	-	1.06	CARE BB+; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	13.70	CARE BB+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (09-Sep-21)	1)CARE BBB; Stable; ISSUER NOT COOPERATING* (08-Mar-21)	1)CARE BBB+; Stable (23-Mar-20)
2	Non-fund-based - LT-Bank Guarantee	LT	1.06	CARE BB+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (09-Sep-21)	1)CARE BBB; Stable; ISSUER NOT COOPERATING* (08-Mar-21)	1)CARE BBB+; Stable (23-Mar-20)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of rated instrument/facility: Not Applicable

Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - LT-Bank Guarantee	Simple

Annexure-5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

Disclaimer

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