

AIC Steel Private Limited

April 20, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	12.50	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	12.50 (Rs. Twelve Crore and Fifty Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated January 27, 2021, placed the rating(s) of AIC Steel Private Limited (ASPL) under the 'issuer non-cooperating' category as ASPL 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. ASPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 13, 2021, December 23, 2021, January 02, 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 [January 27, 2021](#)

Analytical approach: Combined

For arriving at the ratings of ASPL, CARE has taken a combined view of ASPL with its group companies i.e. RAIC Integrated Sponge & Power Private Limited (RISPPL), NN Ispat Private Limited (NNIPL) and AIC Iron Industries Private Limited (AIIPL) as all companies are under common management team, engaged in similar lines of operations and have operational and financial linkages. They are collectively referred to as the AIC Group.

Applicable Criteria

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

[Policy on default recognition](#)

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

About the Company

Incorporated in 1999, AIC Steel Private Limited (ASPL) is the trading arm of the AIC group. ASPL procure scrap, pig iron, coal and other raw material in large quantity to fetch higher margin. Scrap and pig iron are the major raw materials which 3 CARE Ratings Limited Press Release ASPL purchase and sell to its group companies. ASPL is also registered with various E-Auction platforms like Metal Junction, Coal Junction etc. AIC Group is one of the prominent business houses in West Bengal which is promoted by Mr. Dinesh Adukia having rich expertise in the iron and steel sector for over two decades. The Group sells its TMT under the brand name of 'Ultra Max'.

Brief Financials:

Standalone:

Brief Financials (Rs. crore)	31-03-2020(A)	31-03-2021(A)	31-03-2022(Prov.)
Total operating income	168.20	176.43	NA
PBILDT	4.30	6.09	NA
PAT	2.14	3.79	NA
Overall gearing (times)	0.00	0.18	NA
Interest coverage (times)	3.18	6.71	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

Combined:

Brief Financials (Rs. crore)	31-03-2020(A)	31-03-2021(A)	31-03-2022(Prov.)
Total operating income	1216.51	1455.34	NA
PBILDT	61.70	95.73	NA
PAT	23.17	38.12	NA
Overall gearing (times)	1.87	1.69	NA
Interest coverage (times)	4.62	4.62	NA

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

Status of non-cooperation with previous CRA: CRISIL has suspended ASPL's rating vide press release dated December 24, 2015 on account of its inability to carry out a rating surveillance in the absence of the requisite information from the company.

ICRA has suspended ASPL's rating vide press release dated January 18, 2013 on account of its inability to carry out a rating surveillance in the absence of the requisite information from the company.

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		-	-	-	12.50	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) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	12.50	CARE BB+; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (27-Jan-21)	1)CARE BBB-; Stable (05-Mar-20)
2	Non-fund-based - ST-Bank Guarantee	ST	-	-	-	-	-	1)Withdrawn (05-Mar-20)

*Issuer did not cooperate; Based on best available information

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

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

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	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 Ratings Ltd. 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:

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.

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