

Varron Industries Private Limited

May 02, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	17.94	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	109.10	CARE D / CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	142.80	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; based on best available information

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated February 17, 2023, placed the rating(s) of Varron Industries Private Limited (VIPL) under the 'issuer non-cooperating' category as VIPL 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. VIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 03, 2024, January 13, 2024, January 23, 2024.

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).

Analytical approach: Standalone

Outlook: Not Applicable

Detailed description of the key rating drivers:

Please refer to PR dated [February 17, 2023](#)

Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)
[Policy on default recognition](#)

About the company

Varron Industries Private Limited (VIPL) is engaged in the manufacturing of alloy and aluminium based ingots, aluminium castings and steel forgings utilized in the production of automotive components and forgings. It manufactures aluminium ingots of all grades by recycling of aluminium scrap material. The manufacturing plant of the company is located at Ratnagiri, Maharashtra, VAPL has installed eight furnaces for the manufacturing of aluminium ingots.

Brief Financials (Rs. crore)	March 31, 2014 (A)	March 31, 2015 (A)
Total operating income	1285.01	3324.82
PBILDT	104.39	168.92
PAT	39.16	52.55
Overall gearing (times)	2.45	1.80
Interest coverage (times)	5.92	5.01

A: Audited; Note: 'the above results are latest financial results available'

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

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: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

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

Lender details: Annexure 5

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	February, 2024	17.94	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-CC/PC/Bill Discounting		-	-	-	109.10	CARE D / CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC		-	-	-	140.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Forward Contract		-	-	-	2.80	CARE D; 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 (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	17.94	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (17-Feb-23)	1)CARE D; ISSUER NOT COOPERATING* (20-Dec-21)
2	Fund-based - LT/ST-CC/PC/Bill Discounting	LT/ST	109.10	CARE D / CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D / CARE D; ISSUER NOT COOPERATING* (17-Feb-23)	1)CARE D / CARE D; ISSUER NOT COOPERATING* (20-Dec-21)
3	Non-fund-based - ST-BG/LC	ST	140.00	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (17-Feb-23)	1)CARE D; ISSUER NOT COOPERATING* (20-Dec-21)
4	Non-fund-based - ST-Forward Contract	ST	2.80	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (17-Feb-23)	1)CARE D; ISSUER NOT COOPERATING* (20-Dec-21)

*Issuer did not cooperate; Based on best available information

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT/ ST-CC/PC/Bill Discounting	Simple
3	Non-fund-based - ST-BG/LC	Simple
4	Non-fund-based - ST-Forward Contract	Simple

Annexure-5: Lender details

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

Note on complexity levels of the rated instrument: CARE Ratings 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.

Contact us

Media Contact Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Analytical Contacts Shachee Vyas Assistant Director CARE Ratings Limited Phone: 079-40265665 E-mail: shachee.tripathi@careedge.in
Relationship Contact Ankur Sachdeva Senior Director CARE Ratings Limited Phone: 91 22 6754 3444 E-mail: Ankur.sachdeva@careedge.in	Aniket Shringarpure Analyst CARE Ratings Limited Phone: +91-079-40265659 E-mail: aniket.shringarpure@careedge.in
	Rajvi Jani Associate Analyst CARE Ratings Limited E-mail: Rajvi.jani@careedge.in

About us:

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