

## Alaknanda Sponge Iron Limited

April 16, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	94.00	CARE BB; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Downgraded from CARE BB+; Stable
Short Term Bank Facilities	32.30	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Downgraded from CARE A4+

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 March 28, 2024, placed the rating(s) of Alaknanda Sponge Iron Limited (ASIL) under the 'issuer non-cooperating' category as ASIL had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. ASIL continues to be non-cooperative despite repeated requests for submission of information through e-mails dated February 11, 2025, February 21, 2025, March 03, 2025 among others.

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).**

The ratings assigned to the bank facilities ASIL have been revised on account of non-availability of requisite information.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [March 28, 2024](#)

### Applicable criteria

[CARE Ratings' Criteria on Information Adequacy Risk and Issuer Non-Cooperation](#)

[CARE Ratings' Policy on Default Recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

### About the company

ASIL, was incorporated as Alaknanda Sponge Iron Private Limited in 2003 and was converted into a public limited company in 2011. The company is promoted by Mr. Anand Kumar Saraogi, Mr. Vishal Saraogi and Mr. Sandeep Agarwal. ASIL started commercial production in January 2009 with manufacturing of TMT Bars and MS Rounds. The company has its manufacturing facility located at Durgapur, West Bengal with an installed capacity of 197,000 MTPA of Billets and 114,400 MTPA for Rolled products. Apart from selling Billets and TMT under its own brand, ASIL also sells TMT bars under the brand name of "Kamdhenu" & "Kay2" and for the same it pays royalty to Kamdhenu Limited and Kamdhenu Metallic Industries Limited respectively.

**Status of non-cooperation with previous CRA:** India Ratings has continued the rating assigned to the bank facilities of ASIL into ISSUER NOT COOPERATING category vide press release dated September 12, 2024 on account of its inability to carry out a review in the absence of requisite information from the company.

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

<sup>1</sup>Complete definition of ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Limited's publications.

**Covenants of rated instrument / facility:** Annexure-3

**Complexity level of various instruments rated:** 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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	93.67	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	December 2024	0.33	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	21.30	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	11.00	CARE A4; ISSUER NOT COOPERATING*

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

#### Annexure-2: Rating history for 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 2025-2026	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
1	Non-fund-based - ST-Bank Guarantee	ST	21.30	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4+; ISSUER NOT COOPERATING* (28-Mar-24) 2)CARE A2 (06-Apr-23)	-
2	Fund-based - LT-Term Loan	LT	0.33	CARE BB; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (28-Mar-24) 2)CARE BBB+; Negative (06-Apr-23)	-

3	Fund-based - LT-Cash Credit	LT	93.67	CARE BB; Stable; ISSUER NOT COOPERATING *	-	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (28-Mar-24)  2)CARE BBB+; Negative (06-Apr-23)	-
4	Non-fund-based - ST-Letter of credit	ST	11.00	CARE A4; ISSUER NOT COOPERATING *	-	-	1)CARE A4+; ISSUER NOT COOPERATING* (28-Mar-24)  2)CARE A2 (06-Apr-23)	-

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

LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not applicable

#### Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple
4	Non-fund-based - ST-Letter of credit	Simple

#### Annexure-5: Lender details

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

**Note on complexity levels of rated instruments:** CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for clarifications.

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### About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

### Disclaimer:

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