

Araanya Mines Private Limited

April 03, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	54.78	CARE BB; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Downgraded from CARE BB+; Stable

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 27, 2024, placed the rating(s) of Araanya Mines Private Limited (AMPL) under the 'issuer non-cooperating' category as AMPL had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. AMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails dated January 12, 2025, January 22, 2025, February 01, 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 of AMPL have been revised on account of non-availability of requisite information.

Analytical approach: Standalone revised from Combined

For arriving at its ratings, earlier CARE had 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 Maa Chhinnmastika Cement And Ispat Private Limited (MCC IPL) as these are under common management and have significant operational and financial linkages. However, updated information is not available to ascertain financial linkages. Hence, the analytical approach is revised to 'Standalone' from 'Combined'.

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [February 27, 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](#)

[CARE Ratings' Criteria on Consolidation & Combined Approach](#)

About the company

AMPL was incorporated in January 2015, as a JV between Alope Steel Industries Private Limited (ASIPL) (57% share) and Maa Chhinnmastika Cement And Ispat Private Limited (MCC IPL) (43% share) by Mr. Alope Rungta and Mr. Abhishek Rungta. In March 2015, AMPL was allotted Lohari coal block in Jharkhand, with total extractable reserves of 9.045 mn MT (i.e. 0.2 mn MT annually), to be used for captive consumption in production of sponge iron by ASIPL and MCC IPL. The total size of the mining area is 400 hectares out of which 85 hectares is forest area and balance 315 hectares is non-forest area. Other companies belonging to the RC Rungta group are Jharkhand Ispat Pvt. Ltd. engaged in the manufacturing of sponge iron and MS Billets, Maa Chhinnmastika Cement & Ispat Pvt. Ltd. engaged in the manufacturing of sponge iron and Alope Steel Industries Pvt Ltd is engaged in the manufacturing of sponge iron. The group has also formed various Joint Ventures to carry on coal mining and handling activities for Mahanadi Coalfields Ltd.

Status of non-cooperation with previous CRA: Not applicable

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

Any other information: Not applicable

Rating history for last three years: Annexure-2

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
Non-fund-based - LT-Bank Guarantee		-	-	-	54.78	CARE BB; Stable; 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 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	Non-fund-based - LT-Bank Guarantee	LT	54.78	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (27-Feb-24)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (02-Dec-22)	1)CARE BB+ (CE); Stable; ISSUER NOT COOPERATING* (14-Sep-21)
2	Un Supported Rating-Un Supported Rating (Long Term)	LT	-	-	-	-	1)Withdrawn (02-Dec-22)	1)CARE BB+; ISSUER NOT COOPERATING* (14-Sep-21)

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

LT: Long 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	Non-fund-based - LT-Bank Guarantee	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 for clarifications.

Contact us

<p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Ankur Sachdeva Senior Director CARE Ratings Limited Phone: 912267543444 E-mail: Ankur.sachdeva@careedge.in</p>	<p>Analytical Contacts</p> <p>Shachee Nakul Vyas Assistant Director CARE Ratings Limited Phone: 079-40265665 E-mail: shachee.tripathi@careedge.in</p> <p>Jekin Shah Analyst CARE Ratings Limited Phone: 079-40265679 E-mail: Jekin.Shah@careedge.in</p> <p>Bhumika Baridun Associate Analyst CARE Ratings Limited E-mail: Bhumika.baridun@careedge.in</p>
--	--

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:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.