

Devi Iron And Power Private Limited

September 30, 2022

Ratings

| Facilities/Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|------------------------------|---|--|--|
| Long Term Bank Facilities | 35.50 | CARE BB; Stable; ISSUER NOT COOPERATING* (Double B; Outlook: Stable; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Short Term Bank Facilities | 17.50 | CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Total Bank Facilities | 53.00 (Rs. Fifty-Three Crore Only) | | |

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated July 29, 2021, placed the rating(s) of Devi Iron And Power Private Limited (DIPPL) under the 'issuer non-cooperating' category as DIPPL 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. DIPPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 14, 2022, June 24, 2022, July 04, 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 [July 29, 2021](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

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

About the Company

Devi Iron & Power Pvt Ltd (DIPPL) was incorporated in March 2004, by the Mahamaya Group of Raipur, with the objective of manufacturing sponge iron. DIPPL has a sponge iron capacity of 90,000 MTPA, ingot capacity of 30,000 and WHR based CPP of 8MW. In May 2017, the Agrasen group acquired ~48% shares of the company from Mahamaya group. The day to day affairs of the company are looked after by all the directors with adequate support from a team of experienced professionals.

| Brief Financials (Rs. crore) | FY20 (A) | FY21 (A) | FY22 (Prov.) | Q1FY23 (Prov.) |
|------------------------------|----------|----------|--------------|----------------|
| Total operating income | 216.86 | 245.87 | NA | NA |
| PBILDT | 14.67 | 25.82 | NA | NA |
| PAT | 4.15 | 10.51 | NA | NA |
| Overall gearing (times) | 0.74 | 0.92 | NA | NA |
| Interest coverage (times) | 2.54 | 3.01 | NA | NA |

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

Status of non-cooperation with previous CRA: ICRA has continued the rating assigned to the bank facilities of DIPPL into Issuer Not Cooperating category vide press release dated May 18, 2022 on account of its inability to carry out a review 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

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

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-Term Loan | | - | - | June 2021 | 8.00 | CARE BB; Stable; ISSUER NOT COOPERATING* |
| Fund-based - LT-Cash Credit | | - | - | - | 27.50 | CARE BB; Stable; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-Letter of credit | | - | - | - | 17.50 | CARE A4; 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-Term Loan | LT | 8.00 | CARE BB; Stable; ISSUER NOT COOPERATING* | - | 1)CARE BB; Stable; ISSUER NOT COOPERATING* (29-Jul-21) | 1)CARE BB+; Stable; ISSUER NOT COOPERATING* (01-Jul-20) | 1)CARE BBB-; Stable; ISSUER NOT COOPERATING* (06-Jan-20) |
| 2 | Fund-based - LT-Cash Credit | LT | 27.50 | CARE BB; Stable; ISSUER NOT COOPERATING* | - | 1)CARE BB; Stable; ISSUER NOT COOPERATING* (29-Jul-21) | 1)CARE BB+; Stable; ISSUER NOT COOPERATING* (01-Jul-20) | 1)CARE BBB-; Stable; ISSUER NOT COOPERATING* (06-Jan-20) |
| 3 | Non-fund-based - ST-Letter of credit | ST | 17.50 | CARE A4; ISSUER NOT COOPERATING* | - | 1)CARE A4; ISSUER NOT COOPERATING* (29-Jul-21) | 1)CARE A4+; ISSUER NOT COOPERATING* (01-Jul-20) | 1)CARE A3; ISSUER NOT COOPERATING* (06-Jan-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 | Fund-based - LT-Term Loan | Simple |
| 3 | Non-fund-based - ST-Letter of 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 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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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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