



Press Release
ANINDITA STEELS LIMITED
August 07, 2024

Rating Downgraded & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	25.00	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	1.68	Not Applicable Withdrawn	-
Bank Ratings Loan	3.32	-	ACUITE A4+ Downgraded & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	30.00	-	-

Rating Rationale

Acuite has downgraded and withdrawn the long-term rating to '**ACUITE BB+**' (read as **ACUITE Double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and the short term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3**' (read as **ACUITE A three**) on the Rs. 28.32 Cr. bank facilities of Anindita Steels Limited (ASL). The rating is now being flagged as "Issuer Not Cooperating" and is based on the best available information. The rating has been downgraded on account of information risk.

Further, Acuite has withdrawn the rating of the Rs.1.68 Cr. Bank Facilities of Anindita Steels Limited (ASL). The same is withdrawn without assigning any rating as the Instrument is proposed facilities.

The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating. The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the Company

Incorporated in 1995, Anindita Steels Limited (ASL) is based in Jharkhand and is managed by Mr. Deepak Rungta, Mrs. Sonakshi Rungta and Mr. Firoz Abdi. ASL is engaged in

manufacturing of Sponge Iron. The company has a production capacity of 1,20,000 MTPA which includes 4 kilns each having a capacity of 30,000 MTPA.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to

provide information could be a sign of potential deterioration in its overall credit quality. This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité has endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon.

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	299.94	252.19
PAT	Rs. Cr.	3.31	2.55
PAT Margin	(%)	1.10	1.01
Total Debt/Tangible Net Worth	Times	0.44	0.63
PBDIT/Interest	Times	3.63	2.82

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
07 Jul 2023	Cash Credit	Long Term	25.00	ACUITE BBB- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	1.68	ACUITE BBB- Stable (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	3.32	ACUITE A3 (Reaffirmed)
20 Apr 2022	Cash Credit	Long Term	25.00	ACUITE BBB- Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	1.08	ACUITE BBB- Stable (Reaffirmed)
	Letter of Credit	Short Term	1.60	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	2.32	ACUITE A3 (Reaffirmed)
22 Jan 2021	Cash Credit	Long Term	25.00	ACUITE BBB- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	1.68	ACUITE BBB- Stable (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	2.32	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	1.00	ACUITE A3 (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	3.32	ACUITE A4+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A3)
Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	25.00	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BBB-)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.68	Not Applicable Withdrawn

Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022-49294017 mohit.jain@acuite.in Thejaswini P V Manager-Rating Operations Tel: 022-49294065 thejaswini.pv@acuite.in	Varsha Bist Associate Vice President-Rating Administration Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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