

Press Release

Brand Alloys Private Limited

September 22, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	25.75	ACUITE D Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	9.25	-	ACUITE D Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	35.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

ACUITE has reaffirmed the long term rating of '**ACUITE D**' (read as **ACUITE D**) and short term rating of '**ACUITE D**' (read as **ACUITE D**) on the Rs 35.00 crore bank facilities of Brand Alloys Private Limited (BAPL). This rating continues to be an indicative rating and is based on best available information.

About the Company

Incorporated in 1994, Brand Alloys Private Limited (BAPL) is a Kolkata based company having its manufacturing unit in Serampore, West Bengal. The company is engaged in manufacturing of TMT rebars, railway components and bogies. Further, BAPL is into an agreement with Tata Steels Limited for conversion of billets into TMT Rebar from last 10 years. Currently, the company is being managed by Mr. Vikas Bansal, Mr. Satpal Bansal and Mr. Markanda Samanta. The raw materials, diesel, coal and railway components are procured locally from companies based out of Kolkata. The company also caters to the local customers in Kolkata. Presently, the installed capacity for TMT rebars is 60,000 MTPA and for railways components, installed capacity stood at 10,000 MTPA.

About the Group

Incorporated in 1996, Haldia Steels Private Limited is a Kolkata based company having its manufacturing unit in Durgapur, West Bengal. The company is engaged in manufacturing of ferroalloys, sponge iron and billets with the installed capacity of 120,000 MTPA for Sponge Iron, Steel Billets for 60,000 MTPA and Ferro alloys for 12,000 MTPA. Currently, the company is managed by Mr. Vikas Bansal, Mr. Satpal Bansal and Mr. Markanda Samanta. The company procures manganese ore, iron ore pellets, dolomite and coal locally and sells steel billets and ferro alloys to its customers based in Kolkata.

Non-cooperation by the issuer/borrower:

Acuite 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 due date. Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with 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 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.

About the Rated Entity - Key Financials

The rated entity has not shared the latest Financial Statements despite repeated attempts.

Rating Sensitivity

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

Material Covenants

Not Applicable.

Liquidity Position

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

Outlook

Not Applicable.

Status of non-cooperation with previous CRA

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
28 Jun 2021	Proposed Bank Facility	Short Term	4.25	ACUITE D (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	14.25	ACUITE D (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	11.50	ACUITE D (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	5.00	ACUITE D (Downgraded and Issuer not co-operating*)

09 Mar 2021	Letter of Credit	Short Term	5.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	14.25	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	11.50	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Short Term	4.25	ACUITE A4+ (Issuer not co-operating*)
23 Dec 2019	Cash Credit	Long Term	14.25	ACUITE BB Stable (Reaffirmed)
	Letter of Credit	Short Term	5.00	ACUITE A4+ (Reaffirmed)
	Proposed Bank Facility	Short Term	4.25	ACUITE A4+ (Reaffirmed)
	Term Loan	Long Term	11.50	ACUITE BB Stable (Reaffirmed)
06 Dec 2019	Term Loan	Long Term	11.50	ACUITE BB Stable (Assigned)
	Proposed Bank Facility	Short Term	4.25	ACUITE A4+ (Assigned)
	Cash Credit	Long Term	14.25	ACUITE BB Stable (Assigned)
	Letter of Credit	Short Term	5.00	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	14.25	ACUITE D Reaffirmed Issuer not co- operating*
Punjab National Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE D Reaffirmed Issuer not co- operating*
Not Applicable	Not Applicable	Proposed Short Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	4.25	ACUITE D Reaffirmed Issuer not co- operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	11.50	ACUITE D Reaffirmed Issuer not co- operating*

Contacts

Analytical	Rating Desk
<p>Pooja Ghosh Vice President-Rating Operations Tel: 022-49294041 pooja.ghosh@acuite.in</p> <p>Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 abhishek.s@acuite.in</p>	<p>Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in</p>

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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