



Press Release

Auro Impex & Chemicals Limited

May 3, 2024

Ratings

Facilities/ Instruments	Amount (INR crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	30.44 (includes proposed limit of Rs. 7.00 crore)	IVR BB/ Negative ISSUER NOT COOPERATING* (IVR double B with negative outlook ISSUER NOT COOPERATING)	Rating downgraded from IVR BB+/ Stable (IVR double B plus with Stable outlook) and moved to Issuer Not Cooperating category	Simple
Short Term Bank Facilities	14.56 (includes proposed limit of Rs. 10.16 crore)	IVR A4 ISSUER NOT COOPERATING (IVR A Four ISSUER NOT COOPERATING)	Rating downgraded from IVR A4+ (IVR A4 plus) and moved to Issuer Not Cooperating category	Simple
Total	45.00 (Rs. Forty-five crores only)			

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

Details of Facilities are in Annexure 1

Detailed Rationale

Infomerics has downgraded the long-term rating and the short-term rating and moved the ratings assigned of Auro Impex & Chemicals Limited (AICL) to ISSUER NOT COOPERATING category because of non-receipt of no default statement for the months of February 2024, March 2024, and April 2024 from the company and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the monthly No Default Statement, vide e-mail communications dated 19th April 2024, 23rd April 2024, 29th April 2024, 30th April 2024 and 1st May 2024 and concurrently over several phone calls. However,



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despite repeated requests by Infomerics, the company's management has not submitted No Default Statements.

In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term rating and short-term rating for the bank facilities aggregating to Rs. 45.00 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the long-term rating for the bank facilities aggregating to Rs. 30.44 crore be noted as IVR BB/ Negative Issuer Not Cooperating; Based on best available information (IVR double B with negative outlook Issuer Not Cooperating; Based on best available information), and the short-term rating for the bank facilities aggregating to Rs. 14.56 crore be noted as IVR A4 Issuer Not Cooperating (IVR A Four Issuer Not Cooperating; Based on best available information).

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria of Rating Outlook](#)

About the company

Auro Impex & Chemicals Limited (AICL) was founded in the year 1991 by Mr. Madhusudan Goenka in Kolkata, West Bengal with the name of Auro Enterprise. Thereafter, in 1995 Auro Industries Limited was incorporated taking over the trading business and steadily expanded into importing of electrostatic precipitators (ESP) and exporting essential parts for the battery industry. In 2012, Auro Impex & Chemicals Pvt Ltd, established a manufacturing unit in West Bengal. Further, on September 30, 2022, the name of the company was changed to "Auro Impex & Chemicals Limited" on account of conversion of the entity from a Private Limited to Public Limited Company. The company is engaged in air pollution control equipment and fabrication. The entity is run under the able leadership of Mr. Madhusudan Goenka, and he is well supported by an experienced and professional team.



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Financials (Standalone)

(INR Crore)

For the year ended* / As On	31.03.2022	31.03.2023
	Audited	Audited
Total Operating Income	110.08	181.38
EBITDA	4.47	10.31
PAT	2.05	5.57
Total Debt	27.21	36.57
Tangible Net worth	6.95	12.52
EBITDA Margin (%)	4.06	5.69
PAT Margin (%)	1.85	3.07
Overall Gearing Ratio (x)	3.92	2.92

* As per Infomerics Standard

Status of non-cooperation with previous CRA:

ICRA continues to maintain the ratings of Auro Impex & Chemicals Limited in the Issuer Non-Cooperating category as the company did not co-operate in the rating procedure despite repeated follow ups as per the Press Release dated January 17, 2024.

CARE Ratings continues to maintain the rating of Auro Impex & Chemicals Limited in the Issuer Non-Cooperating category as the company did not co-operate in the rating procedure despite repeated follow ups as per the Press Release dated August 25, 2023.

Any other information: Nil



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Rating History for last three years:

Sl. No.	Name of Instrument/Facilities	Current Rating (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount Outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (April 12, 2023)	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
1.	Term Loan	Long Term	8.44	IVR BB/ Negative ISSUER NOT COOPERATING*	IVR BB+/ Stable	-	-
2.	Cash Credit	Long Term	15.00	IVR BB/ Negative ISSUER NOT COOPERATING*	IVR BB+/ Stable	-	-
3.	Proposed Cash Credit	Long Term	7.00	IVR BB/ Negative ISSUER NOT COOPERATING*	IVR BB+/ Stable	-	-
4.	Bank Guarantee	Short Term	0.40	IVR A4 ISSUER NOT COOPERATING*	IVR A4+	-	-
5.	Letter of Credit	Short Term	4.00	IVR A4 ISSUER NOT COOPERATING*	IVR A4+	-	-
6.	Proposed Letter of Credit	Short Term	10.16	IVR A4 ISSUER NOT COOPERATING*	IVR A4+	-	-

* Issuer did not cooperate; based on best available information

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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.



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Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.

For more information visit www.infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy, or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan – 1	-	-	Dec 2027	2.12	IVR BB/ Negative ISSUER NOT COOPERATING*
Term Loan – 2	-	-	Dec 2029	3.97	IVR BB/ Negative ISSUER NOT COOPERATING*
GECL	-	-	Nov 2026	2.35	IVR BB/ Negative ISSUER NOT COOPERATING*
Cash Credit	-	-	-	15.00	IVR BB/ Negative ISSUER NOT COOPERATING*
Proposed Cash Credit	-	-	-	7.00	IVR BB/ Negative ISSUER NOT COOPERATING*
Bank Guarantee	-	-	-	0.40	IVR A4 ISSUER NOT COOPERATING*
Letter of Credit	-	-	-	4.00	IVR A4 ISSUER NOT COOPERATING*
Proposed Letter of Credit	-	-	-	10.16	IVR A4 ISSUER NOT COOPERATING*

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



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Annexure 2: Facility wise lender details: Not Applicable

Annexure 3: List of companies considered for consolidated analysis: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com

