



Press Release

N.N. Ispat Private Limited (NNIPL)

October 16, 2023

Ratings

Instrument/ Facility	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	72.22	IVR A-; Stable Outlook (IVR A Minus with Stable Outlook)	Reaffirmed and Withdrawn	Simple
Short Term Bank Facilities	40.00	IVR A2+ (IVR A Two Plus)	Reaffirmed and Withdrawn	Simple
Total	112.22 (One hundred twelve crore and twenty two lakh)			

Details of Facilities are in Annexure 1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

Infomerics has reaffirmed and withdrawn the outstanding ratings of 'IVR A-/ Stable/ A2+ (IVR A Minus with stable outlook and IVR A Two plus)' to the bank facilities of N.N. Ispat Private Limited with immediate effect. The above action has been taken at the request of the company and 'No Objection Certificate' received from the lenders that have extended the facilities rated by Infomerics. ([Key Rating Drivers and Detailed description are as per the last Press Release dated July 11,2023](#))

Analytical Approach: Combined

For arriving at the ratings, Infomerics has considered the combined financials of three companies constituting the AIC Group considering the same management and strong operational and financial linkages. The list of companies is given in **Annexure 2**.

Applicable Criteria:

[Policy on Withdrawal of ratings](#)

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

[Rating Methodology for Manufacturing Companies](#)

[Criteria of assigning rating outlook](#)

Liquidity – Adequate



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The liquidity position of the AIC group is expected to remain satisfactory in the near to medium term marked by adequate cushion in expected accruals of Rs.97-Rs.102 crore as against its repayment obligations of Rs.38-Rs.50 crore during FY24-FY26. Moreover, the average working capital limit utilisation was ~75% during the past twelve months ended March 2023, leaving the group with a comfortable liquidity buffer.

About the Company

NNIPL was incorporated in 2004. In November 2008, the company was taken over by Adukia group of West Bengal. The company is presently engaged in manufacturing of MS Billets and TMT bars with installed capacity of 200000 MTPA and 236000 MTPA respectively. Its manufacturing facility is located at Burdwan district of West Bengal.

About the Group

The promoters of AIC Group have been in the iron and steel business for more than 20 years. The AIC group is engaged in manufacturing of steel products through various companies under its folds. The companies operating under AIC Group are AIC Iron Industries Private Ltd, NN Ispat Private Limited and RAIC Integrated Sponge & Power Pvt Ltd, which are all controlled by the similar management and have common control.

Financials (Combined):

(Rs. crore)

For the year ended* / As On	31-03-2022	31-03-2023
	Combined	Combined
Total Operating Income	1657.66	2195.41
EBITDA	109.78	133.60
PAT	41.75	53.31
Total Debt	377.89	505.58
Tangible Net worth	200.26	253.54
EBITDA Margin (%)	6.62	6.09
PAT Margin (%)	2.51	2.42
Overall Gearing Ratio (x)	1.89	1.99

*As per Infomerics' Standard

Financials (Standalone):

(Rs. crore)

For the year ended* / As On	31-03-2022	31-03-2023
	Audited	Audited
Total Operating Income	817.21	922.21
EBITDA	30.30	32.12
PAT	15.13	13.39



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For the year ended* / As On	31-03-2022	31-03-2023
Total Debt	46.98	70.91
Tangible Net worth	70.90	84.29
EBITDA Margin (%)	3.71	3.48
PAT Margin (%)	1.85	1.45
Overall Gearing Ratio (x)	0.66	0.84

*As per Infomerics' Standard

Status of non-cooperation with previous CRA: Care Edge Ratings has maintained the rating of N.N. Ispat Private Limited into the Issuer Non-Cooperating category as the entity did not cooperate in providing information despite repeated follow ups as per the Press Release dated May 5, 2023.

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2023-24)				Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Rating	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21
1.	Term Loan/GECL (including unallocated limit of Rs. 3.81 crore)	Long Term	12.22	IVR A- / Stable Outlook (Withdrawn)	IVR A- / Stable Outlook (July 11, 2023)	IVR BBB+ / Positive Outlook (April 12, 2022)	-	IVR BBB / Stable Outlook (Jan 13, 2021)
2.	Cash Credit	Long Term	60.00	IVR A- / Stable Outlook (Withdrawn)	IVR A- / Stable Outlook (July 11, 2023)	IVR BBB+ / Positive Outlook (April 12, 2022)	-	IVR BBB / Stable Outlook (Jan 13, 2021)
3.	Non Fund based	Short Term	40.00	IVR A2+ (Withdrawn)	IVR A2+ (July 11, 2023)	IVR A2 (April 12, 2022)	-	IVR A3+ (Jan 13, 2021)

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

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

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com.

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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
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Term Loan/GECL (including unallocated limit of Rs. 3.81 crore)	-	-	Nov 2026	12.22	IVR A- / Stable (Withdrawn)
Cash Credit	-	-	-	60.00	IVR A- / Stable (Withdrawn)
Non Fund based	-	-	-	40.00	IVR A2+ (Withdrawn)

Annexure 2: List of companies considered for consolidated analysis:

Name of the Company	Consolidation Approach
AIC Iron Industries Private Ltd (AIPL)	Full consolidation
NN Ispat Private Limited (NNIPL)	Full consolidation
RAIC Integrated Sponge & Power Pvt Ltd (RISPPL)	Full consolidation

Annexure 3: Facility wise lender details: 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.