



Press Release

NRVS Steels Limited

April 29, 2022

Ratings

Instrument/ Facility	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long term Bank Facilities	47.91	IVR BB+; Issuer Not Cooperating (IVR Double B Plus; Issuer Not Cooperating)	Reaffirmed and withdrawn	Simple
Total	47.91 (INR Forty seven crore and ninety one 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Infomerics has reaffirmed and withdrawn the outstanding ratings of 'IVR BB+; Issuer Not Cooperating (IVR Double B Plus; Issuer Not Cooperating)' to the bank facilities of NRVS Steels Limited with immediate effect. The above action has been taken at the request of NRVS Steels Limited and 'No Objection Certificate' received from the Punjab National bank that have extended the facilities rated by Infomerics. ([Key Rating Drivers and Detailed description are as per the last Press Release dated April 04,2022](#))

Analytical Approach: Consolidated

For arriving at the ratings, Infomerics has considered the combined financials of three companies constituting the NR 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](#)

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



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About the Company

NRVS was acquired by NR group in FY18. The company is presently engaged in manufacturing of Sponge Iron and MS Billets with installed capacity of 180000 MTPA and 51600 MTPA respectively. In addition, it has also set up 15 MW WHRB-based power plant for captive consumption. Its manufacturing facility is located at Raigarh (Chhattisgarh).

About the Group

The promoters of NR Group have been in the iron and steel business for more than 20 years. The NR group is engaged in manufacturing of steel products through various companies under its folds. The companies operating under NR Group are N.R. Ispat & Power Private Limited (NRIPPL), NRTMT (India) Private Limited (NRTMT) and NRVS Steels Limited (NRVS), which are all controlled by the similar management and have common control.

Financials (Combined)

(Rs. crore)		
For the year ended* / As On	FY20	FY21
	Combined	Combined
Total Operating Income	602.21	809.98 [^]
EBITDA	69.72	89.16
PAT	24.88	37.50
Tangible Net Worth	147.01	183.63
Total Debt	128.06	136.80
EBITDA margin (%)	11.58	11.01
PAT margin (%)	4.13	4.62
Overall gearing (x)	0.87	0.74

*Classification as per Infomerics' standards.

[^] Inter-company transaction was not available, hence adjustment done based on past trend.



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Financials (Standalone)

(Rs. crore)

For the year ended* / As On	FY20	FY21
	Audited	Audited
Total Operating Income	257.15	340.97
EBITDA	29.83	48.93
PAT	10.59	19.77
Tangible Net Worth	61.55	80.44
Total Debt	71.04	101.46
EBITDA margin (%)	11.60	14.35
PAT margin (%)	4.11	5.79
Overall gearing (x)	1.15	1.26

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Not Applicable.

Any other information: Nil

Rating History for last three years:

S r. N o.	Name of Instrument/F acilities	Current Ratings (Year 2022-23)				Rating History for the past 3 years			
		Type	Amount outstanding (Rs. Crore)	Rating		Date(s) & Rating(s) assigned in 2021- 22	Date(s) & Rating(s) assigned in 2020-21		Date(s) & Rating(s) assigned in 2019- 20
1.	Term Loan	LT	22.91	IVR BB+; ISSUER NOT COOPER ATING (Withdrawn)	IVR BB+; ISSUER NOT COOPER ATING (April 4, 2022)	-	IVR BBB +/ Posit ive (Mar 30, 2021)	IVR BBB +/ Posit ive (Jan 27, 2021)	-
2.	Cash Credit	LT	25.00	IVR BB+;	IVR BB+;	-	IVR	IVR	-



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S r. N o.	Name of Instrument/F acilities	Current Ratings (Year 2022-23)				Rating History for the past 3 years			
		Type	Amount outstand ing (Rs. Crore)	Rating		Date(s) & Rating(s) assigned in 2021- 22	Date(s) & Rating(s) assigned in 2020-21		Date(s) & Rating(s) assigned in 2019- 20
				ISSUER NOT COOPER ATING (Withdraw n)	ISSUER NOT COOPER ATING (April 4, 2022)		BBB +/ Posit ive (Mar 30, 2021)	BBB +/ Posit ive (Jan 27, 2021)	

Name and Contact Details of the Rating Analyst:

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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.

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



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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, suspend 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 Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	June 2026	22.91	IVR BB+; ISSUER NOT COOPERATING (Withdrawn)
Cash Credit	-	-	-	25.00	IVR BB+; ISSUER NOT COOPERATING (Withdrawn)

Annexure 2: List of companies considered for consolidated analysis:

Name of the Company	Consolidation Approach
N.R. Ispat & Power Private Limited (NRIPPL)	Full consolidation
NRTMT (India) Private Limited (NRTMT)	Full consolidation
NRVS Steels Limited (NRVS)	Full consolidation

Annexure 3: Facility wise lender details: Not applicable

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



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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.