



Press Release

Shri Bajrang Alliance Limited

November 13, 2021

Rating

Facilities/Instruments	Amount (INR Crore)	Rating*	Rating Action
Long Term Facility – Fund Based – Cash Credit	32.15	IVR BB+; ISSUER NOT COOPERATING (IVR Double B Plus; Issuer not cooperating)	Rating moved to ISSUER NOT COOPERATING category
Long Term Fund Based Facility – Term Loan	18.64	IVR BB+; ISSUER NOT COOPERATING (IVR Double B Plus; Issuer not cooperating)	Rating moved to ISSUER NOT COOPERATING category
Short Term Fund Based Facility – Bills Discounting under LC	8.00	IVR A4+; ISSUER NOT COOPERATING (IVR A Four Plus; Issuer not cooperating)	Rating moved to ISSUER NOT COOPERATING category
Short Term Non Fund Based Facility – Bank Guarantee	1.00	IVR A4+; ISSUER NOT COOPERATING (IVR A Four Plus; Issuer not cooperating)	Rating moved to ISSUER NOT COOPERATING category
Total	59.79		

** Issuer not cooperating; Based on best available information*

Details of Facilities are in Annexure 1

Detailed Rationale

The revision in rating of the bank facilities of Shri Bajrang Alliance Limited reflect lack of adequate information available and non-payment of annual surveillance fees. 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 advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Analytical Approach: Standalone

Applicable Criteria



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Rating Methodology for Manufacturing Companies
Financial Ratios & Interpretation (Non-Financial Sector)

About the Company

Shri Bajrang Alliance Limited (Formerly Known as Shri Bajrang Alloys Limited) (SBAL) is one of the largest structural Rolling Mill in the state of Chattisgarh since its incorporation in the year 1990 overseen by Goel Group. The group entered the steel manufacturing sector in 1991 by incorporating Shri Bajrang Alloys Limited, a re-rolling unit near Raipur, Chhattisgarh. Other than steel manufacturing, the group has business interests in areas like generation and sale of hydro power as well as media (the group operates a regional 24*7 news channel, IBC 24). The company has two main division – Steel Manufacturing and Agro Division. The Steel Manufacturing unit has an annual rolling capacity of 50,000 MT; equipped with Furnace and Conveyor tables, these modern installations have helped the company to reduce their turnaround time. The agro division incorporated in 2020, this marks the group's first foray into foods business through 100% vegetarian frozen food products. Their manufacturing facility located at Raipur has an installed capacity of 6000 tons per annum with a cold storage facility which has a capacity of 500 tons below -18 degrees Celsius.

Financials: Standalone

INR Crore

For the year ended/ As on*	31-03-2019	31-03-2020	31-03-2021
	Audited	Audited	Audited
Total Operating Income	157.00	171.25	213.73
EBITDA	4.92	3.31	9.08
PAT	1.44	0.82	2.18
Total Debt	19.51	46.69	57.98
Tangible Net Worth	38.19	38.90	42.99
EBITDA margin (%)	3.13	1.93	4.25
PAT margin (%)	0.66	0.48	1.02
Overall Gearing ratio (x)	0.63	0.83	1.00

*As per Infomerics Standards

Status of non-cooperation with previous CRA: Nil



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Any other information: Nil

Rating History for last three years:

Sr. No.	Facility	Current Rating (Year 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding INR Crore	Rating	Date(s) & Rating(s) assigned in 2020-21 (08-Sep-20)	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19
1.	Cash Credit	Long Term	32.15	IVR BB+; ISSUER NOT COOPERATING	IVR BB+/ Stable Outlook	--	--
2.	Term Loan	Long Term	18.64	IVR BB+; ISSUER NOT COOPERATING	IVR BB+/ Stable Outlook	--	--
3.	Bill discounting under LC	Short Term	8.00	IVR A4+; ISSUER NOT COOPERATING	IVR A4+	--	--
4.	Bank Guarantee	Short Term	1.00	IVR A4+; ISSUER NOT COOPERATING	IVR A4+	--	--
Total			59.79				

** Issuer not cooperating; Based on best available information*

Name and Contact Details of the Rating Analyst:

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine-tune its product offerings to best suit the market.



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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 INR Crore	Rating Assigned/ Outlook
Long Term Facility – Fund Based – Cash Credit	N.A.	N.A.	Revolving	32.15	IVR BB+; ISSUER NOT COOPERATING
Long Term Fund Based Facility – Term Loan	N.A.	N.A.	Upto 2025	18.64	IVR BB+; ISSUER NOT COOPERATING
Short Term Fund Based Facility – Bills Discounting under LC	N.A.	N.A.	Upto 1 year	8.00	IVR A4+; ISSUER NOT COOPERATING
Short Term Non Fund Based Facility – Bank Guarantee	N.A.	N.A.	Upto 1 year	1.00	IVR A4+; ISSUER NOT COOPERATING

** Issuer not cooperating; Based on best available information*

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Shri-bajrang-alliance-leders-nov21.pdf>

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



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Annexure 5: Complexity level of the rated Facilities:

Sr. No.	Instrument	Complexity Indicator
1	Cash Credit	Simple
2	Term Loan	Simple
3	Bill discounting under LC	Simple
4	Bank Guarantee	Simple

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.