

Atibir Industries Company Limited

April 01, 2019

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund-based facilities	218.00	218.00	[ICRA]BBB (Positive); Withdrawn
Non-fund based facilities	252.00	252.00	[ICRA]A3+; Withdrawn
Unallocated limits	10.00	10.00	[ICRA]BBB (Positive); Withdrawn
Total	480.00	480.00	

*Instrument details are provided in Annexure-1

Rationale

The ratings are withdrawn in accordance with ICRA's policy on withdrawal and suspension and as desired by the company. The rating has been withdrawn at the request of the company and based on the no objection certificate provided by its banker.

Key rating drivers

Key Rating drivers has not been captured as the rated instrument(s) are being withdrawn.

Liquidity Position

Information was not available on the liquidity position of the rated entity.

Analytical approach:

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Methodology for Entities in the Ferrous Metals Industry ICRA Policy on Withdrawal and Suspension of Credit Rating
Parent/ Group Support	Not Applicable (Rating Withdrawn)
Consolidation/ Standalone	Not Applicable (Rating Withdrawn)

About the company

Incorporated in 2000, AICL is a Jharkhand-based company, promoted by the Sarawgi family. The company manufactures sponge iron, pig iron, pellet and sinter with capacities of 120,000 tonne per annum (TPA), 600,000 TPA, 300,000 TPA and 680,000 TPA, respectively.

In FY2018, on a provisional basis, the company reported a net profit of Rs. 15.22 crore on an operating income of Rs. 1033.63 crore compared to a net profit of Rs. 3.39 crore on an operating income of Rs. 562.24 crore in FY2017.

Key financial indicators (audited)

	FY2016	FY2017	FY2018*
Operating Income (Rs. crore)	603.47	562.24	1033.63
PAT (Rs. crore)	4.13	3.39	15.22
OPBDIT/OI (%)	11.20%	12.21%	10.78%
RoCE (%)	11.55%	9.63%	9.33%
Total Debt/TNW (times)	0.78	0.79	0.64
Total Debt/OPBDIT (times)	3.72	3.70	2.06
Interest coverage (times)	1.67	1.76	3.16

Source: Company; * Provisional

Status of non-cooperation with previous CRA

CRA	Status of Non-cooperation	Date of Press Release
India Ratings	India Ratings has maintained AICL's ratings at IND BBB(ISSUER NOT COOPERATING)/ IND A2(ISSUER NOT COOPERATING) in the Non-Cooperating Category, as the issuer did not participate in the rating exercise despite continuous requests and follow-ups by the agency.	May 23, 2018

Any other information: None

Rating history for last three years:

Instrument	Current Rating (FY2019)				Chronology of Rating History for the Past 3 Years		
	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2019	Date & Rating in FY2018	Date & Rating in FY2017
1 Cash Credit	Long Term	218.00	-	[ICRA]BBB (Positive) Withdrawn	[ICRA]BBB (Positive)	-	[ICRA]BBB (Stable)
2 Letter of Credit	Short Term	240.00	-	[ICRA]A3+ Withdrawn	[ICRA]A3+	-	[ICRA]A3+
3 Bank Guarantee	Short Term	12.00	-	[ICRA]A3+ Withdrawn	[ICRA]A3+	-	[ICRA]A3+
4 Unallocated	Long Term	10.00	-	[ICRA]BBB (Positive) Withdrawn	[ICRA]BBB (Positive)	-	[ICRA]BBB (Stable)

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	218.00	[ICRA]BBB (Positive); Withdrawn
NA	Letter of Credit	-	-	-	240.00	[ICRA]A3+; Withdrawn
NA	Bank Guarantee	-	-	-	12.00	[ICRA]A3+; Withdrawn
NA	Unallocated Amount	-	-	-	10.00	[ICRA]BBB (Positive); Withdrawn

Source: Atibir Industries Company Limited

ANALYST CONTACT

Jayanta Roy

+91 33 7150 1120

jayanta@icraindia.com

Kaushik Das

+91 33 7150 104

kaushikd@icraindia.com

Nishant Lakkar

+91 33 7150 1122

nishant.lakkar@icraindia.com

RELATIONSHIP CONTACT

Mr. Jayanta Chatterjee

+91 33 7150 1100

jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries:

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: info@icraindia.com

Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

Branches

Mumbai + (91 22) 24331046/53/62/74/86/87
Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,
Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,
Bangalore + (91 80) 2559 7401/4049
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Pune + (91 20) 2556 0194/ 6606 9999

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