

June 24, 2019

Avera Resource Private Limited: Rating continues to remain under ‘Issuer Not Cooperating’ category

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Short Term – Non-Fund Based	11.00	11.00	[ICRA]D ISSUER NOT COOPERATING*; Rating continues to remain under ‘Issuer Not Cooperating’ category
Total	11.00	11.00	

*Issuer did not co-operate; based on best available information.

Rationale

The rating for Rs. 11.00-crore bank facilities of Avera Resource Private Limited (‘ARPL’ or ‘the company’) continues to remain under ‘Issuer Not Cooperating’ category. The rating is denoted as “[ICRA]D ISSUER NOT COOPERATING”. ICRA had earlier moved the rating of ARPL to the ‘ISSUER NOT COOPERATING’ category due to non-submission of requisite information by the entity to undertake surveillance of the rating.

The rating action is based on best available information. As part of its process and in accordance with its rating agreement with ARPL, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity’s management has remained non-cooperative. In the absence of requisite information, and in line with SEBI’s Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA’s Rating Committee has taken a rating view based on the best available information.

The rating is based on no information on the entity’s performance since the time it was last rated in March 2018. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating does not adequately reflect the credit risk profile of the entity. The entity’s credit profile may have changed since the time it was last reviewed by ICRA; however, in the absence of requisite information, ICRA is unable to take a definitive rating action.

Analytical approach

ICRA has applied its rating methodologies/policies as indicated below:

Links to applicable criteria:

[Policy in respect of non-cooperation by the rated entity](#)

About the company:

Incorporated in 2005, ARPL is engaged in opportunistic trading of steel products and chemicals. ARPL is promoted by Mr. Alok Gupta and Mrs. Divya Gupta. Earlier, Mr. Alok Gupta was the Chairman and Managing Director of ACI Infocom Limited (AIL), which was engaged in trading of steel, coal and scrap. Mr. Alok Gupta sold his stake in AIL and resigned from its board of directors in February 2012. A part of the trading business of AIL was spun-off and transferred to ARPL during that period. Mr. Alok Gupta continued the steel trading business henceforth under ARPL. The promoters of ARPL entered into biomass pellet manufacturing business under ACI Clean Energy Private Limited (ACEPL). ACEPL was set up through promoters' own funds and ARPL does not hold any stake in ACEPL or vice-versa.

The previous detailed rating rationale is available on the following link: [Click here](#)

Key financial indicators: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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