

January 14, 2020

Rosha Alloys Private Limited: Continues to remain under Non-Cooperating category

Summary of rating action:

Instruments	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based limits	4.00	4.00	[ICRA]B+(Stable) ISSUER NOT COOPERATING*; Rating continues to remain in the 'Issuer Not Cooperating' category
Non-Fund based limits	1.00	1.00	[ICRA]B+(Stable) ISSUER NOT COOPERATING*; Rating continues to remain in the 'Issuer Not Cooperating' category
Unallocated	7.50	7.50	[ICRA]B+(Stable) ISSUER NOT COOPERATING*; Rating continues to remain in the 'Issuer Not Cooperating' category
Total	12.50	12.50	

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

Rationale

The ratings for the Rs.12.50-crore¹ bank facilities of Rosha Alloys Private Limited continues to remain under 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA] B+(Stable) ISSUER NOT COOPERATING"² (pronounced ICRA B Plus Issuer not cooperating with stable Outlook).

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. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, 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 entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	Not applicable
Consolidation / Standalone	Standalone

¹ 100 lakh = 1 crore = 10 million

² For complete rating scale and definitions, please refer to ICRA's website www.icra.in or other ICRA Rating Publications

About the company

Rosha Alloys Private Limited (RAPL) was set up in 2002 and manufactures Iron ingots and trading of Iron products. The registered office of the company is at Mandi Gobindgarh, which is one of the most famous Iron/steel markets in India. It has an annual production capacity of 20,000 tonnes. RAPL acquires the raw material locally and mainly deals with rolling mills located within Mandi Gobindgarh. The company's is professionally managed by Mr. Harinder Pal Singh and Hardev Singh Rosha.

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

Key financial Indicators (Audited)

	FY2018	FY2019
Operating Income (Rs. crore)	50.50	81.45
PAT (Rs. crore)	0.16	0.18
OPBDIT/OI (%)	1.89%	1.49%
RoCE (%)	9.73%	10.03%
Total Outside Liabilities/Tangible Net Worth (times)	4.57	4.35
Total Debt/OPBDIT (times)	7.45	6.24
Interest Coverage (times)	1.51	1.61
DSCR	1.48	1.58

Sources MCA

Rating history for past three years

	Instrument	Current Rating (FY2020)				Rating History for the Past 3 Years		
		Type	Amount Rated	Amount Outstanding	Rating	FY2019	FY2018	FY2017
					14-Jan-2020	10-Oct-2018	27-Jul-2017	-
1	Cash Credit	Long Term	4.00	-	[ICRA]B+(Stable) ISSUER NOT COOPERATING	[ICRA]B+(Stable) ISSUER NOT COOPERATING	[ICRA]B+(Stable)	-
2	Letter of Credit	Long Term	1.00	-	[ICRA]B+(Stable) ISSUER NOT COOPERATING	[ICRA]B+(Stable) ISSUER NOT COOPERATING	[ICRA]B+(Stable)	-
	Unallocated (Proposed Limits)	Long Term	7.50	-	[ICRA]B+(Stable) ISSUER NOT COOPERATING	[ICRA]B+(Stable) ISSUER NOT COOPERATING	[ICRA]B+(Stable)	-

All figures in Rs. Crore

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