

**Rating Rationale**

**ABHIRAMA STEELS LTD**

Brickwork Ratings has reviewed the ratings assigned to the bank loan facilities of Rs.18.80 crore of the Abhirama Steels Ltd, based on best available information, as the company did not cooperate.

**Particulars**

Facilities <sup>#</sup>	Previous Rated Amount Rs. Crs	Present Rating Amount Rs. Crs	Tenure	Rating <sup>1</sup>	
				Previous Ratings <sup>^</sup>	Present Rating <sup>*</sup>
<b>Fund Based</b> Cash Credit Term Loans	<b>15.00</b> <b>3.80</b>	<b>15.00</b> <b>3.80</b>	<b>Long Term</b>	<b>BWR D</b> <b>Downgraded</b>	<b>BWR D</b> <b>Issuer Not Cooperating*</b> <b>Reaffirm</b>
<b>Total</b>	<b>18.80</b>	<b>Rs. 18.80 Crore (Rupees Eighteen Crores and Eighty Lakhs Only)</b>			

*\*Issuer Not Cooperating: Based on best available information*

*<sup>^</sup>Not Reviewed the outstanding rating of BWR BB+ (Stable) on 30<sup>th</sup> December 2016.*

*1 Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings*

*#Note: Details of Bank facilities are provided in Annexure I*

**Rating reaffirmed and migrated to ISSUER NOT COOPERATING\* category**

**Nature of Non-Cooperation:**

The rating was due for a review in September 2015. Brickwork Ratings (BWR) took up with the company to provide required information over emails and through telephone communication. Despite the best efforts of Brickwork Ratings to get at least the minimum required information for a review, the entity has not provided the same. Hence, the ratings were migrated to the 'Not Reviewed' category. In the absence of adequate information from the issuer and continued lack of management cooperation, Brickwork Ratings is unable to assess the issuer's financial performance and its ability to service its debt and maintain valid ratings. The entity has not been submitting NDS to BWR. Based on inadequate information and continued lack of management cooperation, Brickwork Ratings has reaffirmed the rating of 'BWR D and simultaneously migrated to the Issuer Not Cooperating\* category.

## LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit ratings should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency withholding of information required for a review of the rating.

### About company

Abhirama Steels Private Limited was incorporated as a private limited in the year 2008, located at Hyderabad, Telangana. In 2013 the Company reconstituted itself as a limited company as Abhirama Steels Ltd. The company is into manufacturing of thermo-mechanically-treated (TMT) steel bars for construction industry ( Residential, Infrastructure, Project etc.),. It has registered brand of “Abhirama TMT”,

### No financial information has been submitted to BWR over the last five years

**Key Covenants of the facility rated:** The terms of sanction include standard covenants normally stipulated for such facilities.

**Status of non-cooperation with previous CRA –** India Ratings & Research has continued its rating reaffirmed of IND D and continues to Issuer Not Cooperating category for the bank loan facility of Rs.22.20 Crs on 12<sup>th</sup> August 2019.

### Rating History for the last three years (Including Withdrawn/Suspended)

Sl. No.	Facilities	Current Ratings (2020)			Ratings History		
		Type	Amount (Rs. Cr)	Ratings <sup>^</sup>	(05.07.2019)	(2018)	(2017)
1	<b>Fund Based</b>						
2	Cash Credit	Long	15.00	<b>BWR D</b> <b>Issuer Not Cooperating*</b> <b>Reaffirm</b>	<b>BWR D</b> <b>Downgraded</b>	-	-
	Term Loans	Term	3.80				
<b>Total</b>		<b>Rs. 18.80 Crore (Rupees. Eighteen Crores and Eighty Lakhs Only)</b>					

<sup>^</sup>Not Reviewed the outstanding rating of BWR BB+ (Stable) on 30<sup>th</sup> December 2016.

An initial rating of BWR BB+ (Stable) for the Bank Loan Facilities of Rs.18.80 Crs was assigned on 3<sup>rd</sup> September 2014.\* Issuer did not cooperate; Based on best available information

**Complexity Levels of the Instruments:**

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

**Hyperlink/Reference to applicable Criteria**

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Manufacturing Companies](#)
- [What Constitutes Non-Cooperation](#)

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**Abhirama Steels Ltd**

**Annexure I: Details of Bank Facilities rated**

Sl. No.	Name of the Bank	Type of Facilities	Long Term (Rs. Cr)	Short Term (Rs. Cr)	Total (Rs. Cr)
1.	<b>Indian Bank</b>	<b>Fund Based</b>			
		Cash Credit	15.00	-	15.00
		Term Loan I	3.35	-	3.35
		Term Loan II	0.45	-	0.45
<b>TOTAL - Rupees Eighteen Crores and Eighty Lakhs Only</b>					<b>18.80</b>



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**About Brickwork Ratings :**Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a leading public sector bank, as its promoter and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

**DISCLAIMER** Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons