

## RATING RATIONALE

05 April 2021

### ADITYA STEEL ROLLING MILLS PVT. LTD.

**Brickwork Ratings has downgraded/reaffirmed the ratings for the Bank Loan Facilities of Rs. 26.36 Crs. of the Aditya Steel Rolling Mills Pvt. Ltd. based on best available information, as the issuer did not cooperate.**

Facilities**	Amount (Rs.Crs)		Tenure	Rating#	
	Previous	Present		Previous (February, 2021)	Present
Fund based	17.36	17.36	Long Term	BWR B (Stable) Rating Advisory Reaffirmed	<b>BWR B- Stable Issuer Not Cooperating* Downgrade</b>
Non Fund Based	9.00	9.00	Short Term	BWR A4 Rating Advisory Reaffirmed	<b>BWR A4 Issuer Not Cooperating* Reaffirm</b>
<b>Total</b>	<b>26.36</b>	<b>26.36</b>	<b>Rs. 26.36 Crore (Rupees Twenty Six Crores and Thirty Six Lakhs Only)</b>		

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

\* Issuer did not cooperate, based on best available information.

Not Reviewed the outstanding rating of BWR B(Stable)/A4 on 21<sup>st</sup> December 2020

\*\*Details of Bank facilities are provided in Annexure-I

### Ratings downgraded and migrated to ISSUER NOT COOPERATING\* category

#### NATURE OF NON-COOPERATION

The ratings were due for a review in December 2020. Brickwork Ratings (BWR) took up 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 company 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 company has not been submitting NDS to BWR. Based on inadequate information and continued lack of management cooperation, Brickwork Ratings has downgraded the long term rating to 'BWR B-/Stable' from 'BWR B(Stable)', reaffirmed the short term ratings of 'BWR A4', and 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, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

### COMPANY PROFILE

Aditya Steel Rolling Mills Pvt. Ltd (ASRMPL) is a prominent steel product manufacturer which was incorporated on 6th September 1994. The company is situated in Visakhapatnam, Andhra Pradesh. The company has sustained the operations since 1994. It is a manufacturing as well as trading unit which manufactures and trades Mild Steel bars, TMT bars, Squares, Rounds of different Diameters and also Wire Rods. It procures 80-90% of its raw materials and tradable goods from Vizag Steel Plant. The company is one of the 25 authorised dealers of Vizag Steel's TMT bars and other steel intermediaries in Visakhapatnam. Suresh Kumar Khemka is the Managing Director and Pradeep Kumar Khemka is the other director of the company.

**No financial information has been submitted to BWR over the last one year**

**NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY - NA**

### RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal & suspended]

Facilities	Current Rating			Rating History		
	Tenure	Amount (Rs.Crs.)	Ratings	(04.02.2021)	(2020)	(19.12.2019)
<b>Fund Based</b>	Long Term	17.36	<b>BWR B- Stable Issuer Not Cooperating* Downgrade</b>	<b>BWR B Stable Rating Advisory Reaffirmed</b>	---	<b>BWR B Stable Assigned</b>
<b>Non Fund Based</b>	Short Term	9.00	<b>BWR A4 Issuer Not Cooperating* Reaffirm</b>	<b>BWR A4 Rating Advisory Reaffirmed</b>		<b>BWR A4 Assigned</b>
<b>Total</b>		<b>Rs. 26.36 Crore (Rupees. Twenty Six Crores and Thirty Six Lakhs Only)</b>				

Not Reviewed the outstanding rating of BWR B(Stable)/A4 on 21<sup>st</sup> December 2020

\* 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](#)
- [Short Term Debt](#)
- [What Constitutes Non-Cooperation](#)

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**Aditya Steel Rolling Mills Pvt. Ltd.**

**ANNEXURE I**

**Details of Bank Loan Facilities rated by BWR**

Sl. No.	Type of Facilities	Long Term (Rs.Crs.)	Short Term (Rs.Crs.)	Total (Rs.Crs.)
	<b>Fund Based</b>			
1	Cash Credit - Sanctioned	17.00	-	17.36
2	Term Loan - Sanctioned	0.36		
	<b>Non Fund Based</b>			
3	Bank Guarantee -Sanctioned	-	9.00	9.00
	<b>TOTAL</b>	17.36	9.00	<b>26.36</b>
<b>TOTAL - Rupees Twenty Six Crores and Thirty Six Lakhs Only</b>				



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