

RATING RATIONALE

28 Oct 2020

Akash Steel Crafts Private Limited

Brickwork Ratings Revises / downgrades the Long Term Rating rating and reaffirms Short Term Rating for the Bank Loan Facilities ₹ 11.45 crores of Akash Steel Crafts Private Limited based on best available information, as the issuer did not cooperate.

Particulars

| Facility | Amount (₹ Cr) | | Tenure | Rating# | |
|---|--------------------|--------------------|--|--|---|
| | Previous | Present | | BWR Rating History (Oct, 2019) | Rating Recommended |
| Fund Based Cash Credit | 6.45 | 6.45 | Long Term | BWR B+ (Downgrade) (Stable) Issuer Not Cooperating* | BWR B (Downgrade) (Stable) Issuer Not Cooperating* |
| Non- Fund Based Letter of Credit BG(Sublimit of LC) FBG (Sublimit of LC) | 5.00 (5.00) | 5.00 (5.00) | Short Term | BWR A4 (Reaffirmed) Issuer Not Cooperating* | BWR A4 (Reaffirmed) Issuer Not Cooperating* |
| Total | 11.45 | 11.45 | INR Eleven Crores Forty Five Lakhs only | | |

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

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

RATING ACTION/ OUTLOOK/NATURE OF NON-COOPERATION :

Brickwork Ratings Revises/ Downgrades the Long Term rating and reaffirms Short Term rating to BWR B(Stable)/ A4 Issuer Not Cooperating* from BWR B+ (Stable)/A4 Issuer Not Cooperating* for the Bank Loan Facilities ₹ 11.45 crores of Akash Steel Crafts Private Limited based on best available information, as the issuer did not cooperate.



The demand in the Steel Industry is expected to grow in developing countries with developments in Infrastructure. The Government of India has approved a National Steel Policy which would create a globally competitive steel Industry in India with a boost in steel production capacity and hence consider giving a Stable Outlook .

BWR had assigned the rating of BWR B+(Stable)/A4 in September 2013. BWR took up the surveillance and rated BWR BB-/A4 in October,2015. The rating was due for surveillance in October,2016. BWR took up surveillance and rated as BWR B+(Stable)/A4 Issuer not cooperating in October 2019. The firm was being followed up for surveillance dated 5th October, 12th October, 19th October 2020 for its rating but no information has been received despite close follow up.A final notice has been served as on 19th October 2020 via mail. BWR followed up with Banker for Banker feedback via mails and calls dated 5th October, 12th October, 19th October 2020. The concern Akash Steel Crafts Private Limited did not cooperate for review of rating for the bank loan facilities of Rs.11.45 Crs. In the absence of adequate information from the Company, Brickwork Ratings is unable to assess the Company's financial performance and its ability to service its debt and maintain a valid rating. Hence, on account of inadequate information and lack of management cooperation , BWR has revised/downgraded the rating BWR B(Stable) /A4 under 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.Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholdings of the information required for a review of the rating.

KEY FINANCIAL INDICATORS (in ₹ Cr) (Information received as on October, 2015)

| Key Parameters | Units | FY 14 | FY 13 |
|--------------------------------|-------|---------|---------|
| Result Type | | Audited | Audited |
| Operating Revenue | ₹ Crs | 27.51 | 26.00 |
| EBITDA | ₹ Crs | 1.35 | 1.31 |
| PAT | ₹ Crs | 0.20 | 0.13 |
| Tangible Networth | ₹ Crs | 0.77 | 0.56 |
| Total Debt / Tangible Networth | Times | 10.00 | 11.32 |
| Current Ratio | Times | 1.06 | 1.02 |

COMPANY PROFILE (Information received as on October, 2015)

Dolphin Frozen Foods Pvt Ltd was incorporated in Dec 1996 and later the name was changed to Akash Steel Crafts Pvt. Ltd (ASCPL) in Sep 2005, with the new management take over of the company. ASCPL was promoted by Mr C.N Mohanan and Ms. Sharmil Mohanan. Mr. C.N Mohanan have fair experience in the business of steel trading and manufacturing for the last two decades and looks after the day to day operations. ASCPL is involved in manufacturing of Stainless Steel Pipes & Tubes. Which are used in the diverse industries. The company manufactures pipes and tubes with 1mm to 100mm thickness and 0.5 od to 100 od size.

NON-COOPERATION WITH PREVIOUS RATING AGENCY :- NA

RATING HISTORY

| Facilities | Current Rating | | | Rating History | | | | |
|-----------------------|----------------|------------------|--|----------------|------|---|------|---|
| | Tenure | Amount (₹ Cr) | Rating | 2019 | | 2018 | 2017 | |
| Fund Based | Long Term | 6.45 | BWR B (Downgrade) (Stable) Issuer Not Cooperating* | Long Term | 6.45 | BWR B+ (Downgrade) (Outlook: Stable) Issuer Not Cooperating* | - | - |
| Non Fund Based | Short Term | 5.00 | BWR A4 (Reaffirmed) Issuer Not Cooperating* | Short Term | 5.00 | BWR A4 (Reaffirmed) Issuer Not Cooperating* | - | - |
| Total | | 11.45 | INR Eleven Crores Forty Five Lakhs only | | | | | |

* Issuer did not cooperate. Based on best available information

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- **General Criteria**
- **Approach to Financial Ratio**
- **What constitutes Non cooperation**

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ANNEXURE I

Akash Steel Crafts Private Limited Details of Bank Facilities rated by BWR

| Sl.N o. | Name of the Bank | Facilities | Type | Tenure | Total [₹ Cr] |
|--|-----------------------------|--|----------------|------------|--------------------------|
| 1. | Federal Bank , Vashi | Cash Credit | Fund Based | Long Term | 6.45 |
| 2. | Branch, Mumbai, Maharashtra | Letter of Credit BG(Sublimit of LC) FBG (Sublimit of LC) | Non Fund Based | Short Term | 5.00 (5.00) (5.00) |
| INR Eleven Crores Forty Five Lakhs only | | | | | 11.45 |

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About Brickwork Ratings : Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non-convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partners. 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.