

**RATING RATIONALE**

14 Oct 2019

**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	Previous	Present		BWR Rating History (Sept,2013)	BWR Rating History (Oct, 2015)	Present
<b>Fund Based</b> Cash Credit	6.45	6.45	6.45	Long Term	BWR B+ Outlook: Stable	BWR BB- Outlook: Stable	BWR B+ (Downgrade) (Outlook: Stable) Issuer Not Cooperating*
<b>Non- Fund Based</b> Letter of Credit BG( Sublimit of LC) FBG ( Sublimit of LC)	4.00 0.00	5.00 (5.00)	5.00 (5.00)	Short Term	BWR A4	BWR A4	BWR A4 (Reaffirmed)
<b>Total</b>	<b>10.45</b>	<b>11.45</b>	<b>11.45</b>	<b>INR Eleven Crores Forty Five 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.

**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 from BWR BB- (Stable)/A4 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. Government of India has approved National Steel Policy which would create a globally competitive steel Industry in India with boost in steel production capacity and hence consider giving a Stable Outlook .

BWR has assigned the rating of BWR BB-/A4 in October,2015. The rating was due for surveillance in October,2016. The firm was being followed up for surveillance dated 30th July, 5th August, 12th September, 7th October 2019 for its rating but no information has been received despite close follow up. 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+/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	2015	2014	2013
<b>Fund Based</b>	Long Term	6.45	<b>BWR B+</b> (Downgrade) (Outlook: Stable) Issuer Not Cooperating*	<b>BWR BB-</b> Outlook: Stable	-	<b>BWR B+</b> Outlook: Stable
<b>Non Fund Based</b>	Short Term	5.00	<b>BWR A4</b> (Reaffirmed)	<b>BWR A4</b>		<b>BWR A4</b>
Total		<b>11.45</b>	<b>INR Eleven Crores Forty Five Lakhs only</b>			

\* 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 Ratio](#)

- **What constitutes Non cooperation**

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### ANNEXURE I

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

Sl.No.	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)
<b>INR Eleven Crores Forty Five Lakhs only</b>					<b>11.45</b>

#### **For print and digital media**

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#### **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 reason.