

RATING RATIONALE

20 October 2020

Amiya Steel Pvt. Ltd.

Brickwork Ratings Reaffirms the long term and the short term ratings for the Bank Loan Facilities aggregating Rs. 22.07 Crs. of Amiya Steel Pvt. Ltd. (“ASPL” or the Company) while retaining the ratings in the “Issuer Not Cooperating” category based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instruments is as under:

Facilities**	Amount (Rs.Crs)		Tenure	Rating#	
	Previous	Present		Previous (August, 2017)	Present
Fund based	18.07	18.07	Long Term	BWR C- Reaffirmed Issuer Not Cooperating**	BWR C- Reaffirmed, Issuer Not Cooperating**
Non Fund Based	4.00	4.00	Short Term	BWR A4 Reaffirmed Issuer Not Cooperating**	BWR A4 Reaffirmed, Issuer Not Cooperating**
Total	22.07	22.07	Rupees Twenty Two Crores and Seven Lakhs Only		

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

*Details of Bank facilities are provided in Annexure-I

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

RATING ACTION / OUTLOOK

In view of the non-availability of the information and lack of cooperation from the company, Brickwork Ratings has **reaffirmed** the rating for the long term bank loan facilities of Rs. 18.07 Crs of Amiya Steel Pvt. Ltd. at **BWR C-** and the rating for their short term bank loan facilities of Rs. 4.00 crs at **BWR A4** (aggregate rated amount Rs. 22.07 crores), while retaining the rating in the “**Issuer Not Cooperating**” category, based on best available information, as the Issuer did not cooperate.

NATURE OF NON-COOPERATION

Initial Rating of BWR C-/A4 was assigned on 10 Dec 2013 on facility aggregating Rs. 22.07 Crs. It was migrated to Rating Not Reviewed category in April 2015. Due to lack of cooperation from the issuer despite continued follow up to enable us to carry out a review, the rating was reaffirmed and moved to “Issuer Not Cooperating” category in August, 2017. BWR once again

took up with the Company and its banker recently, over emails and through telephone calls requesting for documentation and information to proceed with the rating review exercise. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity and its bankers have not provided the same, nor have they shared the latest financials of the company. The company has also not been submitting NDS for a long period of time. However, as per MCA Website, company status (for e-filing) is mentioned as “ACTIVE”.

In the absence of managerial cooperation on the part of the company to provide adequate information about itself, BWR is unable to assess the company’s financial performance or its ability to service its debt and maintain a valid rating. Accordingly, the rating is retained under “**Issuer Not Cooperating**” category. The rating **Reaffirmation** is based on the lack of up to date feedback on the company - either from the company itself or from its lenders.

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 withholding of the information required for a review of the rating.

KEY FINANCIAL INDICATORS [AS AVAILABLE WITH BWR on December, 2013]

Key Financial Indicators	Units	FY 2012-13	FY 2011-12
Result Type		Audited	Audited
Net Sales/Revenues	₹ Cr	80.82	147.08
EBITDA	₹ Cr	(1.40)	3.46
PAT	₹ Cr	0.04	0.19
Tangible Net Worth	₹ Cr	15.46	12.61
Total Debt : TNW	Times	2.41	2.90
Current Ratio	Times	1.23	1.22

COMPANY PROFILE [INFORMATION AS AVAILABLE WITH BWR on December, 2013]

Amiya Steel Pvt. Ltd. (ASPL) was incorporated on 1st August 2002 with a manufacturing facility located in Tarapur Village, Bankura, West Bengal. The Company is primarily engaged in production of Sponge Iron. It also does trading of coal fines, iron ore fines, electric and hardware materials. The Company has an installed capacity of producing 200 MT of Sponge Iron. The raw materials for production of sponge iron are iron ore and coal. Iron ore is procured from mines situated in the state of Orissa, Jharkhand and Chhattisgarh while coal is procured from Eastern Coalfields Ltd. The company has arrangements with Eastern Coalfields Ltd for the supply of coal for its production facility. Amiya Steel is promoted by Mr. Amiya Kr. Mondal, his wife and son.

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY): IND B/IND A4 (Issuer Not Cooperating) as on 20 Mar, 2019

RATING HISTORY FOR THE PREVIOUS THREE YEARS (including withdrawal and suspended)

S. No	Name of Instrument	Current Rating			Chronology of Rating History for the past 3 years along with outlook/watch, if applicable								
		Type	Amount Outstanding (₹ Crs.)	Rating	Date(s) & rating(s) assigned in year 2019	Date(s) & rating(s) assigned in year 2018	Date(s) & rating(s) assigned in year 2017						
1.	Bank Loan Facility	Fund Based-Long Term	18.07	BWR C- Reaffirmed Issuer Not Cooperating**	-	-	21.08.2017 <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>FB</td> <td>18.07</td> <td>BWR C- Reaffirmed Issuer Not Cooperating**</td> </tr> <tr> <td>NF B</td> <td>4.00</td> <td>BWR A4 Reaffirmed Issuer Not Cooperating**</td> </tr> </table>	FB	18.07	BWR C- Reaffirmed Issuer Not Cooperating**	NF B	4.00	BWR A4 Reaffirmed Issuer Not Cooperating**
		FB	18.07	BWR C- Reaffirmed Issuer Not Cooperating**									
NF B	4.00	BWR A4 Reaffirmed Issuer Not Cooperating**											
		Non Fund Based-Short Term	4.00	BWR A4 Reaffirmed Issuer Not Cooperating**									
Total			22.07	INR Twenty Two Crores and Seven Lakhs Only									

**Issuer did not cooperate, based on best available information.
 The initial rating of the company was on 10 Dec. 2013 and the rating assigned was BWR C-/A4.
 Rating was migrated to "Rating Not Reviewed" on 06 Apr. 2015.

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 Ratios](#)
- [What Constitutes Non- Cooperation](#)

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ANNEXURE I

Amiya Steel Pvt. Ltd.

Details of Bank Loan Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [Rs. Crs]	Short Term [Rs. Crs]	Total [Rs. Crs,]
1.	Syndicate Bank	Term Loan	0.37	-	0.37
		Cash Credit	17.70	-	17.70
		Bank Guarantee	-	4.00	4.00
TOTAL Rupees Twenty Two Crores and Seven Lakhs only					22.07



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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.