



RATING RATIONALE

29th September 2020

Aristo Steel Pvt. Ltd.

Brickwork Ratings downgraded the long term rating for the Bank Loan Facilities ₹ 9.50 crores of Aristo Steel Pvt. Ltd. based on best available information, as under the issuer did not cooperate.

Particulars

| Facility | Amount (₹ Cr) | | Tenure | Rating# | |
|-------------------------------|---------------|-------------|---|----------------------------|--|
| | Previous | Present | | Previous (September, 2019) | Present |
| Fund Based Cash Credit | 9.50 | 9.50 | Long Term | BWR BB-Stable | BWR B+ Stable Downgraded Issuer Not Cooperating |
| Total | 9.50 | 9.50 | INR Nine Crores and Fifty 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 downgrade the long term rating to BWR B+(Stable) Issuer not Cooperating from BWR BB-(Stable) for the Bank Loan Facilities ₹ 9.50 crores of Aristo Steel Pvt. Ltd. based on best available information as the client has not provided any paper/information. Therefore we have placed the Mandate under the issuer did not cooperate Category.

BWR had the initial rating in September,2019 as BWR BB-(Stable) for Bank Loan facility of Rs. 9.50crs. The rating was due for surveillance in September,2020. The firm was followed up for surveillance consistently to provide required information over emails and telephonically dated 1st September, 7th,23rd September 2020.The company Aristo Steel Pvt. Ltd. responded saying the client wants to withdraw,however the client did not respond further for the withdrawal procedure. did not cooperate and did not provide the documents and details for surveillance of rating of the bank loan facilities of Rs.9.50 crs.A final notice has been served as on 23rd September 2020.The banker was followed up consistently to provide banker feedback over emails and telephonically dated 1st September, 7th,23rd September 2020 . 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 downgraded the long term rating to BWR B+(Stable) 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.

COMPANY PROFILE (Information received as on September,2019)

Aristo Steel Pvt Ltd was founded in the year 1986 by Vasantlal Dungarshi Chheda, Mohan Murji Gada and Ratilal Gaugbhai Dedhia. Headquarter is located in Mumbai, including headquarter there are seven branches of Aristo steel at C.P Tank Mumbai. The two manufacturing plants are situated at Vasai East, Mumbai. Aristo Steel pvt ltd provide variety of range in each segment for instance Dabbas, Thalís, Vatis, Tiffin etc. product range is extended as almost 500 plus variant.

KEY FINANCIAL INDICATORS (in ₹ Cr) (Information received as on September,2019)

| Key Parameters | Units | FY 18 | FY 17 |
|--------------------------------|-------|---------|---------|
| Result Type | | Audited | Audited |
| Operating Revenue | ₹ Crs | 35.78 | 18.26 |
| EBITDA | ₹ Crs | 2.28 | 1.58 |
| PAT | ₹ Crs | 0.50 | 0.15 |
| Tangible Networth | ₹ Crs | 1.81 | 1.31 |
| Total Debt / Tangible Networth | Times | 7.19 | 5.28 |
| Current Ratio | Times | 1.10 | 1.13 |

NON-COOPERATION WITH OTHER RATING AGENCY :- NA

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

| Facilities | Current Rating | | Rating History | | | | | | | | | |
|------------|----------------|---------------|---|-----------|------|----------------|------|---|---|------|---|---|
| | Tenure | Amount (₹ Cr) | Rating | 2019 | | | 2018 | | | 2017 | | |
| Fund Based | Long Term | 9.50 | BWR B+ Stable Downgraded Issuer Not Cooperating | Long Term | 9.50 | BWR BB- Stable | - | - | - | - | - | - |
| Total | | 9.50 | INR Nine Crores and Fifty 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

Aristo Steel Pvt. Ltd.

Details of Bank Facilities rated by BWR

| Sl.N o. | Name of the Bank | Facilities | Type | Tenure | Total [₹ Cr] |
|--------------------------------------|---|-------------|------------|-----------|--------------|
| 1. | Union Bank of india, Bhuleshwar Road Branch, Mumbai | Cash Credit | Fund Based | Long Term | 9.50 |
| INR Nine Crores and Fifty lakhs Only | | | | | 9.50 |

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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.

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