

Rating Rationale

29 Nov 2019

Arya Steel Rolling India Ltd

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of ₹24.00 Crores of Arya Steel Rolling India Ltd based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Sep, 2017)	Present
Fund Based	18.00	18.00	Long Term	BWR BB (Stable)	BWR BB (Stable) Reaffirmed Issuer Not Cooperating*
Non Fund Based	6.00	6.00	Short Term	BWR A4+	BWR A4+ Reaffirmed Issuer Not Cooperating*

Total	24.00	24.00	INR Twenty Four crores only.		
--------------	--------------	--------------	-------------------------------------	--	--

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

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

Details of Bank facilities is provided in Annexure-1

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

BWR has reaffirmed the Rating while assigning a stable outlook to the bank loan facilities of Arya Steel Rolling India Ltd to **BWR BB (Stable)/A4+ Issuer Not Cooperating; Based on Best Available Information.**

BWR had assigned the rating of **BWR BB (Stable)/A4+** in Sep, 2018. The rating was subsequently due for surveillance in Nov 2018. BWR took up with the issuer to provide required information over emails sent on 27/12/2018, 18/3/2019, 11/10/2019, 14/10/2019, 5/11/19, 19/11/19, 28/11/2019, and through telephone calls over the same period. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the Company, BWR 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 recommends to place the rating 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 Parameters	Units	FY17	FY16
Result Type		Prov	Audited
Net Sales	Rs.cr	136.22	147.68
EBITDA	Rscr	4.53	1.23
PAT	Rs.cr	0.77	0.70
Tangible Networth	Rs.cr	21.01	20.24
Total Debt/ TNW	Times	0.87	0.81
Current Ratio	Times	1.50	1.47

COMPANY PROFILE

The Company was Incorporated in 2006, ASRIL is promoted by Mr. Rajendra Prasad Singla and operates a steel rolling mill. Arya Steel Rollings India Limited having commenced commercial production on September 13,2007, Kolhapur-based ASRIL is mainly engaged in the production of TMT bars of various sizes which it markets under the 'SHIRDI 500 TMT' brand. The company started a project to set up a rolling mill facility in Kolhapur (Maharashtra), which started commercial operations in 2006, with an installed capacity of 90,000 tonnes per annum of TMT bars. The company customizes the products according to the customer requirement. The company is based in Kolhapur (Maharashtra). Its sales are largely focused in the States of Maharashtra, Karnataka, Goa and Kerala. The company's day to day operations are managed by its director Mr. Alok Bansal and Mr. Sumit Singla.

Non-Cooperation with any other agency: Nil

RATING HISTORY

Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	2018	Sep, 2017	2016
Fund Based	Long Term	18.00	BWR BB (Stable) Reaffirmed Issuer Not Cooperating*	NA	BWR BB (Stable)	NA
Non Fund Based	Short Term	6.00	BWR A4+ Reaffirmed Issuer Not Cooperating*	NA	BWR A4+	NA
Total		24.00	INR Twenty Four crores 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 Ratios](#)

Analytical Contacts	Investor Contacts
<p>Sushil Kumar Chitkara Associate Director - Ratings B : +91 22 2831 1426, +91 22 2831 1439 sushilkumar.c@brickworkratings.com</p> <p>Saloni Singh Ratings Analyst D : +91 22 6745 6647 B : +91 22 2831 1426, +91 22 2831 1439 saloni.s@brickworkratings.com</p>	<p>Liena Thakur Assistant Vice President - Corporate Communications +91 84339 94686 liena.t@brickworkratings.com</p>
1-860-425-2742	

ANNEXURE I

Details of Bank Facilities rated by BWR

Name of the Bank/ FI	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
Punjab National Bank	CC	18.00	0.00	18.00
	ILC	-	5.00	5.00
	ILG	-	1.00	1.00
TOTAL				24.00

Total Rupees Twenty Four Crores only.

For print and digital media The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

About Brickwork Ratings :Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a leading public sector bank, as its promoter and strategic partner. 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