



Rating Rationale

Ashiana Manufacturing India Ltd

17th July 2017

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of Rs. 18.50 Cr (INR Eighteen Crore and Fifty Lakhs Only) of Ashiana Manufacturing India Ltd.

Particulars

Facilities	Previous Limits Rated (Rs. in Crs)	Limits to be Rated (Rs. In Crs)	Tenure	Rating History (Last Rated- October 2015)	Rating Recommended
<i>Fund Based</i>					
Term Loan	2.80	-	Long Term	BWR BB+ (Pronounced as BWR Double B Plus)	BWR BB+ (Pronounced as BWR Double B Plus) (Re-affirmation)
Cash Credit <i>: sub-limit within CC limit</i>	10.60	18.00			
<i>(a) Against Book Debts for not more than 90 Days</i>	-	(9.00)			
<i>(b) ILC/ FLC</i>	-	(2.00)			
<i>Non-fund Based</i>					
Bank Guarantee	0.50	0.50	Short Term	BWR A4+ (Pronounced as BWR A Four Plus)	BWR A4+ (Pronounced as BWR A Four Plus) (Re-affirmation)
Total	13.90	18.50	(INR Eighteen Crore and Fifty Lakhs Only)		

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

Rating Assigned:

Brickwork Ratings (BWR) has reaffirmed the rating for Bank Loan Facilities of Rs. 18.50 Crs of Ashiana Manufacturing India Ltd ('AMIL' or 'the company').

Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has essentially relied upon the audited financial result of the company up to FY16 and publicly available information and information/clarification provided by the management.

The ratings assigned to the bank facilities of Ashiana Manufacturing India Ltd take into account the experience of the promoters and established brand of the company with wide distribution network. The ratings are, however, constrained by the exposure to volatility in prices of raw materials, working capital intensive nature of operations and cyclicity in the steel industry with intense competition.

Going Forward the Company's ability to improve profitability and scale of operations amidst intense competition will be the key rating sensitivities.

17 July 2017



Rating Outlook: Stable

BWR believes the **Ashiana Manufacturing India Ltd** business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

About the Company

Ashiana Manufacturing India Ltd (AMIL) was originally incorporated as Prakash Surya Industries Ltd in May 1995 and was later renamed as Surya Manufacturing (I) Ltd (SMIL) in 2000. The Company is currently engaged in manufacturing of Thermo Mechanical Treatment (TMT) bars with installed capacity of 1.2 lakh MTP .The company operates under the brand name of “Kamdhenu”.

Company Financial Performance

As per audited financial statements of FY16, the company has reported net sales/revenue of Rs. 230.36Cr and PAT of Rs.0.61 Crs .

As per management, company have achieved Rs.231.51 Crs.

Rating History for the last three years (including withdrawn/suspended ratings)

Sr. No.	Instrument/Facility	Current Rating (Year 2017)			Rating History		
		Type (Long Term/Short Term)	Amount (Rs Crs)	Rating	2016	2015	2014
1	Fund based Cash Credit	Long Term	18.00	BWR BB+ Outlook : Stable	NA	BWR BB+ (Outlook-stable)	BWR BB+ (Outlook-stable)
	Non Fund Based Bank Guarantee	Short Term	0.50	BWR A4+		BWR A4+	BWR A4+

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Manufacturing Companies](#)



For any other criteria obtain hyperlinks from website

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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been 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 Nationalized 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, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

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.