

## RATING RATIONALE

29 Nov 2019

### Ashish Steel

**Brickwork Ratings Reaffirms the rating for the Bank Loan Facilities ₹ 6.10 Crores of Ashish Steel based on best available information, as the issuer did not cooperate.**

#### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (May, 2015)	Present
Fund based	4.10	4.10	Long Term	BWR B+ Stable (Reaffirmed)	BWR B+ Stable (Reaffirmed) Issuer Not Cooperating*
Non Fund Based	2.00	2.00	Short Term	BWR A4 (Reaffirmed)	BWR A4 (Reaffirmed) Issuer Not Cooperating*
<b>Total</b>	<b>6.10</b>	<b>6.10</b>	<b>INR Six Crores and Ten 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.

Details of Bank facilities is provided in Annexure-I

#### RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The long term rating of the Bank Loan Facilities of the entity has been reaffirmed at BWR B+ Stable/BWR A4 under Issuer Not Cooperating Category, on account of non-receipt of any papers or information for ascertaining the financial risk profile and performance of the entity. Brickwork Rating, therefore, migrates the rating of the bank loan facilities aggregating to Rs. 6.10 Crs of the entity to “Issuer Not Cooperating” category.

Given the expectation of an increase in government spending on public infrastructure, the rating has been reaffirmed as Stable.

The rating was due for a review. BWR took up with the issuer to provide required information over emails dated 15.05.19, 03.06.19, 19.06.19, 24.07.19, 08.08.19, 03.09.19, 07.10.19,

01.11.19, 14.11.19, 22.11.19 besides telephonic calls. As per the feedback received from the banker, the conduct of account is satisfactory and account is classified as standard. 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 issuer, BWR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating.

#### **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 ratings should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non- transparency and withholding of information required for a review of the rating.

#### **KEY FINANCIAL INDICATORS (in ₹ Cr) [AS AVAILABLE WITH BWR]**

<b>Key Parameters</b>	<b>Units</b>	<b>FY13</b>	<b>FY14</b>
<b>Result Type</b>		<b>Audited</b>	<b>Audited</b>
Net Sales	₹ Cr	33.80	29.88
EBITDA	₹ Cr	3.38	2.02
PAT	₹ Cr	2.78	1.22
TNW	₹ Cr	5.55	5.45
Total Debt : TNW	Times	0.58	0.98
Current Ratio	Times	2.23	2.35

#### **COMPANY PROFILE [AS AVAILABLE WITH BWR]**

Established in the year 1996 by Mr. Ashish Shah, Ashish Steel is a proprietary firm based in Mumbai. The firm is a supplier of various types of rails, crane rails, rail clamps and rail accessories. The firm caters to various companies in different industries such as EOT cranes and material handling equipment, conveyor system, steel plant equipment manufacturers, cement factories for wagon loading, etc.

#### **NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY - NA**

## RATING HISTORY

Instrument / Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	21 Nov, 2016	7 May, 2015	24 Oct, 2013
Fund Based	Long Term	4.10	BWR B+ Stable (Reaffirmed) Issuer Not Cooperating*	Rating Not Reviewed	BWR B+ Stable (Reaffirmed)	BWR B+ Stable
Non Fund Based	Short Term	2.00	BWR A4 (Reaffirmed) Issuer Not Cooperating*		BWR A4 (Reaffirmed)	BWR A4
Total		6.10	INR Six Crores and Ten 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](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

### Hyperlink/Reference to applicable Criteria

[General Criteria](#)

[What Constitutes Non-Cooperation](#)

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**ANNEXURE I**

**Ashish Steel  
Details of Bank Facilities rated by BWR**

<b>Sl.No.</b>	<b>Name of the Bank</b>	<b>Type of Facilities</b>	<b>Long Term [₹ Cr]</b>	<b>Short Term [₹ Cr]</b>	<b>Total [₹ Cr]</b>
1.	Union Bank of India	Cash Credit	4.10	-	4.10
2.		Letter of Credit	-	2.00	2.00
<b>TOTAL</b>					6.10

**Total Rupees Six Crores and Ten Lakhs only.**

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