



Rating Rationale

Ashish Steel

04 Feb 2021

Brickwork Ratings downgrades the long term rating and reaffirms the short term rating for the Bank Loan facilities of ₹ 6.10 Crore of Ashish Steel based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (November, 2019)	Present
Fund Based	4.10	4.10	Long Term	BWR B+ (Stable) (Reaffirmed) Issuer Not Co-operating*	BWR B (Downgraded) Issuer Not Co-operating*
Non-fund Based	2.00	2.00	Short Term	BWR A4 (Reaffirmed) Issuer Not Co-operating	BWR A4 (Reaffirmed) Issuer Not Co-operating*
Total	6.10	6.10	INR Six Crores and Ten Lakhs Only		

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

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

Details Bank facilities is provided in Annexure-I

RATING ACTION / NATURE OF NON-COOPERATION

The long term rating of the Bank Loan Facilities of the company has been downgraded and the short term rating has been reaffirmed based on the available information as the client has not submitted any information for ascertaining the financial risk profile/performance of the company.

We have therefore continued the rating under the “Issuer Not Cooperating” category.

The rating was due for surveillance in November 2020. The company was being regularly followed up for surveillance, vide Whatsapp messages, telephone calls and emails dated 3.12.2020, 23.12.2020, 08.01.2021, 12.01.2021, 14.01.2021, 15.01.2020, 16.01.2021, 18.01.2020, 19.01.2020, 21.01.2020, 25.01.2020, 27.01.2020, 29.01.2020, 01.02.2021, 02.02.2021 03.02.2021, 04.02.2021 for obtaining the latest information for the review of the rating, however, the client did not submit the required documents despite repeated follow up. Client responded on the call dated 14.01.2021, we requested the client to withdraw the ratings and gave the deadline till 03.02.2021; but client has not fulfilled the withdrawal requirements or responded to any of the emails till date.

In the absence of adequate information from the company/bank, 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 downgrade the long term rating and reaffirm the short term rating of the Bank Loan Facilities of the company at BWR B/A4; **Issuer Not Co-operating.**

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation 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 possible deterioration in the credit quality of the rated entity arising from its non-transparency withholding of information required for a review of the rating.

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

Key Parameters	Units	FY 14	FY 13
Result Type		Audited	Audited
Operating Income	₹ Cr	29.88	33.80
EBITDA	₹ Cr	2.02	3.38
PAT	₹ Cr	1.22	2.78
Tangible Net Worth	₹ Cr	5.45	5.55
Total Debt /TNW	Times	0.98	0.58
Current Ratio	Times	2.35	2.23

COMPANY PROFILE (Information as on May 2015)

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 : Nil

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

Instrument /Facility	Current Rating			Rating History For The Previous Three Years [including withdrawal and suspended]		
	Type (Long Term/ Short Term)	Amount (₹ Cr)	Rating	2020	2019	2018
Fund Based	Long Term	4.10	BWR B (Downgraded) Issuer Not Co-operating*	-	BWR B+ (Stable) (Reaffirmed) Issuer Not Co-operating	-
Non Fund Based	Short Term	2.00	BWR A4 (Reaffirmed) Issuer Not Co-operating*	-	BWR A4 (Reaffirmed) Issuer Not Co-operating	-
Total		6.10	INR Six Crores and Ten Lakhs Only			

*Issuer did not co-operate; based on best available information.

** Note: The initial rating of BWR B+/A4 (Stable) was assigned in October 2013. It was reaffirmed in May 2015 at BWR B+/A4 (Stable)

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

Ashish Steel
Details of Bank Facilities rated by BWR

Sr.No	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total
1	Fund Based Cash Credit	4.10	-	4.10
2	Non Fund Based Letter Of Credit	-	2.00	2.00
TOTAL				6.10

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