



## RATING RATIONALE

04-Mar-2020

### Ashok Bricks Industries Pvt. Ltd.

**Brickwork Ratings downgrades both the long and short term ratings for the Bank Loan facilities of Rs. 60.47 Crores of Ashok Bricks Industries Pvt. Ltd. (ABIPL) based on best available information, as the issuer did not cooperate.**

Facilities*	Amount (Rs.Crs)		Tenure	Rating#	
	Previous	Present		Previous^ (Feb 2020)	Present (March 2020)
<b>Fund Based</b>	<b>31.47</b>	<b>31.47</b>	<b>Long Term</b>	<b>BWR BB, Stable, Downgraded, Issuer Not Cooperating**</b>	<b>BWR D, Downgraded, Issuer Not Cooperating**</b>
<b>Non Fund Based</b>	<b>29.00</b>	<b>29.00</b>	<b>Short Term</b>	<b>BWR A4, Downgraded, Issuer Not Cooperating**</b>	
<b>Total</b>	<b>60.47</b>	<b>60.47</b>	<b>Rs. Sixty Crores and Forty Seven Lakhs Only</b>		

\*Details of Bank loan facilities are provided in Annexure-I

# Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

^Rating migrated to 'Rating Not Reviewed' advisory on 4/9/19

\*\* Issuer did not cooperate; based on best available information.

### RATING ACTION / NATURE OF NON-COOPERATION

BWR has downgraded the ratings for both the long term and short term bank loan facilities of ABIPL aggregating Rs. 60.47 crores, to **BWR D**, and has retained the status of “**Issuer Not Cooperating**” for both the ratings - based on best available information, as the Issuer did not cooperate.

The revision in rating has factored in the latest feedback from their bankers advising that the present asset classification of the account of ABIPL with them is a Non Performing Asset, as well as non submission of NDS by the company and absence of adequate information from them despite follow up. Thus, based on the information currently provided by their bankers, and due to lack of management cooperation, the outstanding ratings of the company have been downgraded and retained 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, 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 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 [As available with BWR till 3/9/18]

Key Financial Indicators	Units	FY 16	FY 17
Result Type		Audited	Audited
Operating Revenue	₹ Crs	84.08	104.90
EBITDA	₹ Crs	10.94	16.47
PAT	₹ Crs	3.79	5.73
Tangible Net worth	₹ Crs	19.44	26.89
Total Debt/Tangible Net worth	Times	1.78	1.82
Current Ratio	Times	1.00	1.05

## COMPANY PROFILE (As per information available till 2018)

ABIPL was incorporated in the year 1999, with its registered office at Belpahar, Jharsuguda, Odisha. It is engaged in civil construction of roads, over-bridges and other civil structures of government departments majorly within the States of Odisha, Jharkhand and Chhattisgarh. The Board of Directors comprises Mr Rahul Agarwal, Ms Shakuntala Agarwal and Ms Namrata Agarwal.

## NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY:

CRISIL has moved the rating of Ashok Bricks Industries Pvt. Ltd. to “Issuer Not Cooperating” category on 14/11/19 due to non submission of information.

ICRA has moved the rating of Ashok Bricks Industries Pvt. Ltd. to “Issuer Not Cooperating” category on 27/11/19 due to non submission of information.

India Ratings and Research has moved the rating of Ashok Bricks Industries Pvt. Ltd. to “Issuer Not Cooperating” category on 24/5/18 due to non submission of information.

### RATING HISTORY FOR THE PREVIOUS YEARS:

Facility	Current Rating (March 2020)		Rating History				
	Tenure	Amt (₹ Cr)	Rating	14-Feb-2020	2019	2018	2017
Fund Based	Long Term	31.47	BWR D, Downgraded, Issuer Not Cooperating*	BWR BB, Stable, Downgraded, Issuer Not Cooperating*	Rating Not Reviewed	<b>03-Sept- 2018</b> BWR BBB-, Stable, Reaffirmed	BWR BBB-, Stable (Assigned)
Non Fund Based	Short Term	29.00		BWR A4, Downgraded, Issuer Not Cooperating*		<b>03-Sept- 2018</b> BWR A3, Reaffirmed	
Total		60.47	Rs.Sixty Crores and Forty Seven 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](#)
- [Approach to Financial Ratios](#)
- [What constitutes Non-Cooperation](#)
- [Default Recognition and Default Curing Period](#)

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**ANNEXURE I**  
**Ashok Bricks Industries Pvt. Ltd.**  
**Details of Bank Loan Facilities rated by BWR**

Sl.No.	Name of the Bank	Type of Facilities	Long Term [Rs. Crs]	Short Term [Rs. Crs]	Total [Rs. Crs]
1.	State Bank of India SME Branch, Jharsuguda, Odisha	Term Loan Cash Credit SLC BG	4.47 24.00 3.00 -	- - - 29.00	4.47 24.00 3.00 29.00
<b>TOTAL (INR Sixty Crores and Forty Seven Lakhs Only)</b>					<b>60.47</b>

**For print and digital media**

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**About Brickwork Ratings:** Brickwork Ratings Private limited (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empanelled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empanelled 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 Private Limited (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