

## RATING RATIONALE

04 Mar 2020

### Astec Valves & Fittings Pvt Ltd

**Brickwork Ratings Revises the ratings for the Bank Loan Facilities of ₹ 8.02 Crores of Astec Valves & Fittings Pvt Ltd based on best available information, as the issuer did not cooperate.**

#### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Dec 2017)	Present
Fund based	4.02	4.02	Long Term	BWR B+ Stable (Downgraded)	BWR C+ (Downgraded) Issuer Not Cooperating*
Non Fund Based	4.00	4.00	Short Term	BWR A4 Reaffirmed	BWR A4 Reaffirmed Issuer Not Cooperating*
<b>Total</b>	<b>8.02</b>	<b>8.02</b>	<b>INR Eight Crores and Two 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 / NATURE OF NON-COOPERATION

The rating of the Bank Loan Facilities of the company has been revised and downgraded based on the available information as the client has not submitted any paper/information etc. for ascertaining the financial risk profile/performance of the company. We have therefore moved the rating under the “Issuer Not Cooperating” category.

The rating was due for surveillance in Dec 2018. The company was being regularly followed up for the surveillance, vide emails dated 06.06.2019, 03.10.2019, 02.01.2020 and 21.01.2020 and through telephone calls for obtaining the relevant and latest paper/ information for the review of



the rating. The company did not cooperate for undertaking the rating process in spite of following up several times. In the absence of adequate information from the company and the 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 place the rating under Issuer Non Cooperating category and has further revised the long term rating of the Bank Loan Facilities of the company to BWR C+ and reaffirmation of the short term rating at BWR A4.

### 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 17	FY 16
Result Type		Audited	Audited
Operating Income	₹ Cr	15.73	39.08
EBITDA	₹ Cr	1.40	5.92
PAT	₹ Cr	0.25	3.09
Tangible Net Worth	₹ Cr	10.32	9.91
Total Debt /TNW	Times	0.97	1.02
Current Ratio	Times	1.67	1.62

### COMPANY PROFILE ( Information as on Dec 2017)

Astec Valves and Fittings Private limited is a private limited incorporated in 1987 by Mr. Avtar Singh Kohli. The company is engaged in the line of manufacturing valves and fittings. Major products of the company are Instrument hook up material and prefabricated instrument hook up. The company has been awarded Rashtriya Udyog Award (2003) and Rajiv Gandhi Award (2004). Earlier in 1965, Mr. Avtar Singh Kohli had set up Associate techno in the same line of business. Post his tenure his wife Mrs. Harcharan Kaur Kohli -Chairperson

(retired in April 2015) son Mr Kiranbir Singh Kohli - Managing Director and daughter in law Mrs. Sherry Singh Kohli - Chief Financial Officer look after the management of company affairs.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY : NIL**

**RATING HISTORY**

Instrument / Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	Previous (March 2019)	Previous (Dec 2017)	Previous (May 2016)
Fund based Cash Credit	Long Term	3.50	BWR C+ (Downgraded) Issuer Not Cooperating*	Rating Not Reviewed	BWR B+ Stable (Downgraded)	BWR BB- Stable (Reaffirmed)
Term Loan		0.52				
Non Fund Based SBLC	Short Term	4.00	BWR A4 (Reaffirmed) Issuer Not Co-operating*		BWR A4 (Reaffirmed)	BWR A4 (Reaffirmed)
Total		<b>8.52</b>	<b>INR Eight Crores and Two Lacs Only</b>			

\*Issuer did not co-operate; 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](#)

For any other criteria obtain [hyperlinks](#) from website

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## ANNEXURE I

### Astec Valves & Fittings Pvt Ltd Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1	Bank of India	Cash Credit	3.50	-	2.00
2		Term Loan	0.52	-	3.00
3		SBLC	-	4.00	4.00
<b>TOTAL</b>					<b>8.02</b>

INR Eight crores and Two Lakhs only

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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