

Rating Rationale

Astila Ceramic Pvt Ltd

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 25.00 Crore of Astila Ceramic Pvt Ltd based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is as under

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (August-2019)	Present
Fund Based	23.00	23.00	Long Term	BWR B+ Issuer did not Cooperate*	BWR B (Downgraded) Issuer did not Cooperate*
Non-fund Based	2.00	2.00	Short Term	BWR A4 Issuer did not Cooperate*	BWR A4 (Reaffirmed) Issuer did not cooperate*
Total	25.00	25.00	INR Twenty Five Crores Only		

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

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

Details of Bank facilities are provided in Annexure-I&II

NATURE OF NON-COOPERATION

BWR has assigned the initial rating BWR BB- (Stable) /A4 on 25th April 2017 for a total debt size of Rs. 25.00 Crs. The rating was downgraded as BWR B+ (Stable)/A4 and moved to “Issuer not Cooperating” on 01 August 2019.

We followed up with the client over emails and telephone several times, however we have not received any business / other related information & documents /NDS from the issuer to carry out the surveillance rating process. BWR took up with the issuer to provide required information over emails and followed it up through telephone several times. BWR Contacted the Banker through email on and telephone several times, which remained unanswered.



BWR has not received NDS on a regular basis. In absence of adequate business information and business updates from the issuer and irregularities in submission of NDS, BWR is unable to assess the issuer's business performance.

Accordingly, based on the best available information, the rating for the said credit facilities is recommended for downgrade of rating to BWR B (Stable)/A4 "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 the required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should, therefore, take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholdings of the information required for a review of the rating.

COMPANY PROFILE (As of August 2019)

The company has acquired land admeasuring 13446 Sq. Mtr. The company proposes to procure the various types of clays and minerals such as Soda Feldspar, Potash Feldspar, China Clay, Ukraine Ball Clay, Talc, Other Clay and Colour and Chemicals from the local market. So the location of the plant is proximity to the raw material, the transportation cost will be less. 1600 KVA power is required and application for the same has been made to the PGVCL and is expected to be available by May-17. The company will use LNG as fuel. The company is having its own bore well so required water will be available from the bore well. The company will employ approximately 110 Workers in its operations including skilled and unskilled workers. The workforce needed for the operations will be available around the Factory site. The total cost of the machinery is estimated at Rs. 2000 Lacs of which machinery worth Rs. 1380 Lacs are imported and Rs. 620 Lacs are indigenous. The company proposes to import all major machinery like Digital Ink Jet Printing Machine, Polishing Line, Kilan, Ball Mill etc from suppliers of China and Hong Kong all other machinery are proposed to be procured from suppliers of India.

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

S. No	Facility	Current Rating (2020)^			Rating History		
		Type	Amount (₹ Crs)	Rating	01August2019	07August2018 #	25April2017
1	Fund Based	Long Term	23.00	BWR B (Downgraded) Issuer did not Cooperate*	BWR B+ Issuer not cooperating *	NA	BWR BB-
2	Non Fund Based	Short Term	2.00	BWR A4 (Reaffirmed) Issuer did not cooperate*	BWR A4 Issuer not cooperating *	NA	BWR A4
	Total		25.00	INR Twenty Five Crores Only			

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

Migrated to Rating not Reviewed advisory.

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

For any other criteria obtain hyperlinks from the website

- General Criteria
- What constitutes Non- cooperation

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Astila Ceramic Pvt Ltd

ANNEXURE I

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	State Bank of India	Fund Based Cash Credit Term Loan	8.00 15.00	0.00 0.00	23.00
2	State Bank of India	Non-Fund Based Bank Guarantee	0.00	2.00	2.00
		Total	23.00	2.00	25.00

Total ₹ Twenty Five Crores Only.

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