

## RATING RATIONALE

Avdesh Steel Works Pvt Ltd.

05 Nov 2019

### Brickwork Ratings Reaffirms and Simultaneously withdraws the ratings for the Bank Loan Facilities of ₹ 9.16 Crores of Avdesh Steel Works Pvt Ltd.

#### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating	
	Previous	Present		Previous (March 2018)	Present
Fund based Cash Credit	3.80	3.80	Long Term	BWR B+ Stable Issuer Not Cooperating* (Downgraded)	BWR B+ Stable (Reaffirmed) Withdrawn Issuer Not Cooperating*
Term Loan	3.56	3.56			
Non Fund Based Letter of Credit	1.80	1.80	Short Term	BWR A4 Issuer Not Cooperating* (Downgraded)	BWR A4 (Reaffirmed) Withdrawn Issuer Not Cooperating*
<b>Total</b>	<b>9.16</b>	<b>9.16</b>	<b>INR Nine Crores and Sixteen Lakhs only</b>		

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

\*\*Complete details of Bank facilities is provided in Annexure-I

#### Rating Action/ Withdrawal

Brickwork Ratings has reaffirmed the rating at BWR B+ (Stable) and simultaneously withdrawn the ratings of Avdesh Steel Works Pvt Ltd's Bank Loan facilities aggregating to Rs. 9.16 crs. The rating was due for a surveillance in March 2019. BWR took up with the issuer to provide required information over emails dated 24/05, 28/05, 05/06, 24/07 and 29/08. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. Review of ratings for Avdesh Steel Works Pvt Ltd was overdue. The rating has been continuing under Issuer did not Cooperate category since March 2019, and hence was sent a notice of withdrawal through email dated 14th October 2019. BWR also took up with the banker regarding the conduct of the account through mail dated 28/05, 05/06 and 07/08, but was unable to get any information. The withdrawal notice sent through mail dated 14.10.19 to the banker also remained unresponded. In absence of adequate information from the Company and non receipt of feedback form the banker, BWR is unable to assess the Company's financial

performance and its ability to service its debt and maintain a valid rating. Therefore, due to lack of information, the outstanding ratings has been reaffirmed and simultaneously withdrawn in line with the Withdrawal Policy of BWR.

**COMPANY PROFILE (Information available with BWR as on Jan 2017)**

Avdesh Steel Works Pvt Ltd is into the manufacturing of ignot from scrap. It is 100% subsidiary of Ashutosh Metal Pvt Ltd. Company started its commercial production on 25th Feb 2015, with a production capacity of 12000 TPA (Tons Per Annum).

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

**RATING HISTORY**

Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Present	(March 2018)	(Jan 2017)	(April 2015)
Cash Credit	Long Term	3.80	<b>BWR B+ Stable (Reaffirmed) Withdrawn Issuer Not Cooperating</b>	BWR B+ Stable Issuer Not Cooperating (Downgraded)	BWR BB- (Stable) (Reaffirmed)	BWR BB- (Stable)
Term Loan		3.56				
<b>Non- Fund Based</b> Letter of Credit	Short Term	1.80	<b>BWR A4 (Reaffirmed) Withdrawn Issuer Not Cooperating</b>	BWR A4 Issuer Not Cooperating (Downgraded)	BWR A4 (Reaffirmed)	BWR A4
<b>Total</b>		<b>9.16</b>	<b>INR Nine Crores and Sixteen Lakhs only</b>			

**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](#)

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## 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	Cash Credit	3.80	-	3.80
2		Term Loan	3.56	-	3.56
3		Letter of Credit	-	1.80	1.80
<b>TOTAL</b>					<b>9.16</b>

**For print and digital media** The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

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