

RATING RATIONALE

Century Aluminium Manufacturing Co. Ltd (CAMCO)

9 Sep 2019

Brickwork Ratings revises the ratings for the Bank Loan Facilities of ₹ 235 Crores of Century Aluminium Manufacturing Co. Ltd.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Dec , 2018)	Present
Fund based	162.50	162.50	Long Term	BWR BB (Pronounced BWR Double B) (Outlook;Stable)	BWR D (Pronounced BWR Single D) (Issuer non-cooperation)
Non Fund Based	72.50	72.50	Short Term	BWR A4+ (Pronounced BWR Single A 4 Plus)	
Total	235.00	235.00	INR Two Hundred Thirty Five Crores Only		

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

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

Details of Bank facilities

RATING ACTION : Downgrade to BWR D (Issuer did not Cooperate) based on best available information as the issuer did not cooperate.

BWR took up with the issuer to provide required information over emails dated 06 Sep 2019 and phone calls during the period. Despite the best efforts of BWR to get the minimum required information for a review, the entity has not provided the same. The bank has, however, confirmed over telephone that account was classified as NPA in the sub standard category since Feb 2019 . However, the company has not been referred to NCLT as yet for resolution.



LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk and non-cooperation by the issuer 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.

COMPANY PROFILE (As available on dec 2018)

Incorporated in 1974, CAMCO is the flagship company of the Kolkata based Century Group promoted by Mr. Vikram Jhunjhunwala. The company is engaged in the manufacturing of secondary aluminium alloy ingots, de-oxidants, zinc based alloy ingots and pressure die cast components, which are used in the auto industry. The company has their four operating units in Khardah 24 Parganas (N), (WB) , Century NF Casting - Faridabad (Haryana), Century NF Casting - Hodal (Haryana) , Century NF Casting - Manesar (Haryana). It has one of the largest facilities in the country to produce aluminium and zinc based alloy ingots with an installed capacity of 76,380 MT per annum.

KEY FINANCIAL INDICATORS (As available on dec 2018)

Key Financial Indicators

Key Parameters	Units	2017	2018
Result Type		Audited	Audited
Operating Revenue	₹ Cr	415.83	425.03
OPBDIT	₹ Cr	30.57	37.89
PAT	₹ Cr	5.17	3.16
Tangible Net worth (Analyzed)	₹ Cr	59.1	66.90
Total Debt/Tangible Net worth (Analyzed)	Times	2.98	2.87
Current Ratio	Times	1.09	1.12

Group Details

Companies of the group include CAMCO Multi Metal Ltd (trading of scrap) and Century Extrusions Ltd (aluminum extrusions manufacturer). CAMCO Multi Metal Ltd is a subsidiary of CAMCO (rated company) and Century Extrusions Ltd. is a BSE listed company which belongs to the CAMCO Group.

Consolidated financials of CAMCO & CAMCO Multi Metal Ltd are highlighted below :

Key Parameters	Units	2017	2018
Result Type		Audited	Audited
Operating Revenue	₹ Cr	484.68	445.37
EBITDA	₹ Cr	33.76	38.3
PAT	₹ Cr	5.97	3.25
Tangible Net worth (Analyzed)	₹ Cr	60.38	68.27
Total Debt/Tangible Net worth (Analyzed)	Times	3.09	2.80
Current Ratio	Times	1.06	1.08

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY - Not Applicable

RATING HISTORY

Instrument / Facilities	Current Rating			Rating History		
	Tenure (LongTerm/ Short Term)	Amount (₹ Cr)	Rating	Dec 2018	Oct 2018	June 2017
Fund Based	Long Term	162.5	BWR D (Pronounced BWR Single D) (Issuer non-cooperation)	BWR BB (Pronounced BWR Double B (Outlook-Stable)	BWR BBB- (Pronounced BWR triple B minus) (Outlook-Stable) Rating Not Reviewed	BWR BBB- (Pronounced BWR triple B minus) (Outlook-Stable)
Non Fund Based	Short Term	72.5		BWR A4+ (Pronounced BWR Single A Four Plus)	BWR A3 (Pronounced BWR Single A Three) Rating Not Reviewed	BWR A3 (Pronounced BWR Single A Three)
Total	235.0		INR Two Hundred Thirty Five Crores Only			

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COMPLEXITY LEVELS OF THE INSTRUMENTS

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

Hyperlink/Reference to applicable Criteria

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ANNEXURE I

(Century Aluminium Manufacturing Co. Ltd (CAMCO)

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	Axis Bank	Cash Credit and Letter of credit	5	6	11
2	Canara Bank	Cash Credit , Letter of credit and Term Loan	19.5	13.5	33
3	ICICI	Cash Credit and Letter of credit	6	6	12
4	SBI	Cash Credit , Letter of credit, bank guarantee and Term Loan	86.5	26	112.5
5	Vijay Bank	Cash Credit and Letter of credit	8.1	15	23,1
6	Religare	Term Loans	8.6		8.6

7	Punjab And Sind Bank	Cash Credit and Letter of credit	4.4	6	10
8	Hero Fincorp	Term Loan	7.94		7.94
9	Proposed	Term Loan	16.46		16.46
TOTAL					235

ANNEXURE III

List of entities consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
CAMCO Multi Metal Ltd	Greater than 50 %	Full	Subsidiary of Century Aluminium Manufacturing Co. Ltd

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

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DISCLAIMER

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