



Rating Rationale

AGR Steel Strips Pvt. Ltd.

25 Mar 2019

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 120.00 Crore of AGR Steel Strips 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 (March 2018)	Present
Fund based	75.00	75.00	Long Term	BWR BB - (Pronounced as BWR Double B Minus) Outlook: Stable	Issuer did not Co-operate; BWR D (Pronounced as BWR Single D) (Downgraded)
Non Fund Based	45.00	45.00	Short Term	BWR A4 (Pronounced as BWR Single A Four)	Issuer did not Co-operate; BWR D (Pronounced as BWR Single D) (Downgraded)
Total	120.00	120.00	₹ One Hundred and Twenty Crores Only		

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

Issuer did not co-operate; based on best available information

Ratings: Long term rating and Short term rating downgraded to BWR D

Nature of Non-co-operation: The rating was due for a review in March 2019. BWR took up with the issuer to provide required information. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the Company, BWR is unable to assess the Company's financial performance and its ability to service its debt and maintain a valid rating.

BWR has received from the Company's lenders regarding the conduct of the Company's accounts maintained with the respective banks. The lenders have confirmed that the account has been classified as a Non Performing Asset (NPA) due persisting liquidity issues faced by the



Company and irregularities/overdues in the bank accounts. Hence, the ratings assigned to the Company's long term and short term bank loan facilities is downgraded to "BWR D".

Limitations of the rating: Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

About the Company (Information as available in March 2018)

AGR Steel Strips Pvt. Ltd (ASSPL), incorporated in Oct 1992 and is engaged in the manufacturing of Hot Rolled Pickled and Oiled (HRPO) and Cold Rolled Close Annealed (CRCA) steel strips/coils. Its manufacturing unit is located at Dharuhera, Haryana (about 70km from Delhi). The total installed capacity of this unit is 60,000 tons per annum (TPA).

Rating History for the last three years (including withdrawn/suspended ratings)

S.No	Facility	Current Rating (2019)			Rating History		
		Type	Amount (₹ Cr)	Rating [^]	31 Mar 2018	05 Jan 2017	2016
1	Fund Based	Long Term	75.00	BWR D (BWR Single D) (Downgrade)	BWR BB - (BWR Double B Minus) (Downgrade)	BWR BB (BWR Double B Minus)	N.A.
2	Non Fund Based	Short Term	45.00	BWR D (BWR Single D) (Downgrade)	BWR A4 (BWR A Four) (Reaffirmed)	BWR A4 (BWR A Four)	N.A.
Total			120.00	₹ One Hundred and Twenty Crores Only			

[^]Issuer did not co-operate; based on best available information

Status of non-cooperation with previous CRA (if applicable)- N.A.

Any other information: Nil

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)

- [What Constitutes Non-Cooperation](#)
- [General Criteria](#)
- [Approach to Financial Ratios](#)

AGR Steel Strips Pvt. Ltd.
Annexure I

Particulars	Units	2017	2016
Net Sales/Revenues	₹ Cr	364.23	431.75
EBIDTA	₹ Cr	5.16	2.90
PAT/(Loss)	₹ Cr	(10.98)	(11.57)
Tangible Networkth	₹ Cr	59.13	70.11
Total Debt : TNW	Times	2.02	1.70
ISCR	Times	0.33	0.21

Note: As per the information available with BWR

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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been 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 Nationalized 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, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 10,00,000 Cr. In addition, BWR has rated over 6300 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹24,440 Cr have been rated.

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.